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# ***JPRS Report***

## **East Asia**

### ***Southeast Asia***

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# East Asia Southeast Asia

JPRS-SEA-91-018

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1 August 1991

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## COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

### Khmer Rouge Commander, Aide Comment on Pailin Situation

91SE0298A Bangkok *THE NATION* in English  
21 May 91 p a4

[Text] REUTER, Pailin Cambodia—Khmer Rouge guerrillas are firmly in control of the western Cambodian town of Pailin despite repeated attempts by the Phnom Penh government to drive them out and regain control of its ruby and sapphire mines.

"I'm very pleased we were able to defend Pailin in the past dry season because the enemy have been trying very hard to recapture it," said Lieutenant-General Ee Chien, the Khmer Rouge field commander in charge of the area.

War was not far away during the first visit by a foreign reporter since the Chinese-backed guerrillas captured Pailin, which lies 30 km (20 miles) from the Thai border, in October 1989 as part of their long-running struggle against Phnom Penh forces.

Artillery shelling could be heard in the distance even though a ceasefire between the rival armies was supposed to be in effect.

Pailin's importance lies in the gem mines scattered across the surrounding areas.

The Khmer Rouge have filled their war chest with concession fees demanded from the thousands of Thai gem miners who risk rampant malaria and war to cross the border and seek their fortune.

But the so-called guerrilla capital does not look too prosperous.

The centre is deserted except for soldiers and cows, its concrete buildings mostly ruined by war and neglect, its roads overgrown with weeds.

The local cinema has not shown a film for years.

On the outskirts there are more signs of life. Poor peasants moving back into Cambodia from Khmer Rouge camps in Thailand were erecting wood and thatch houses along the road leading to the Thai border.

The Phnom Penh government has said several times that troops advancing from the garrison city of Battambang had recaptured Pailin.

"They regard Pailin as their main military and diplomatic objective," the general said.

The Khmer Rouge used 10 Soviet tanks captured from Phnom Penh forces to defend Pailin, he said, adding that guerrilla warfare was still their main tactic.

"The fighting was very fierce," he said. "The Vietnamese were using tanks and helicopter gunships much more than in the past."

The guerrillas now claim to have changed their political philosophy from the days when their fanatical rule in the mid-1970s oversaw the deaths of at least one million Cambodians.

"I can tell you all of us soldiers, cadres, officers and leaders, including Pol Pot, believe in a liberal democracy with a multi-party system and free market," said Mak Bem, a political aide to Khmer Rouge nominal leader Khieu Samphan.

He dismissed a recent report by the Amnesty International human rights organization that said 30 Khmer Rouge members who had advocated just such reforms were killed in an internal purge last year.

## STATE OF CAMBODIA

### MIA Remains Searches, Payment Requests Reported

91SE0297D Bangkok *BANGKOK POST* in English  
5 May 91 p 4

[Article by Richard Ehrlich]

[Excerpts] The skinny Cambodian man asked: "Are you looking for American bones? How much you pay me?" He wanted money for the almost forgotten skeletons of US soldiers who are Missing in Action (MIA) from the Vietnam War.

The fighting had spread to this country beginning with the Pentagon's illegal, secret bombing raids in 1969 which failed to destroy communist North Vietnam's hidden, cross-border supply route known as the Ho Chi Minh Trail. US pilots were shot down during the raids. [passage omitted]

The mysterious Cambodian stranger, who refused to give his name, claimed he could find US skeletons—if rewarded. When told there was no cash from Washington available for his services, he quickly walked away.

Cambodia's communist regime, however, has for the first time given some bones and skulls to the US government—and posted its own gigantic rewards to motivate villagers to dig. [passage omitted]

For the first time ever, Washington was allowed to send a team of forensic experts to Cambodia in July 1990 to quietly accept the remains of six possible Americans, and nudge Phnom Penh to look for more.

In addition to the six, at least 77 American MiAs remain somewhere in the jungles of this Southeast Asian nation. Several American journalists and civilians also disappeared in Cambodia during the war but no officials are searching for them.

Press Department Deputy Director Thon Hin said in an interview, "The United States government was very interested in the remains from Cambodia and wanted

them returned through the International Committee of the Red Cross or any other international organisation.

"We replied to the US government that such an issue should be dealt directly between the Cambodian government and the US administration. We don't ask the US administration to recognise us, but to honour the US remains in Cambodia.

"There is a difficulty in finding those remains. Some American soldiers were captured by Pol Pot during the 1970-75 war against Lon Nol," Thon Hin added.

"Even finding Cambodian bodies is hard because some of the mass graves are still unknown to us. But most people were not buried in mass graves but were scattered because Pol Pot said he wanted to make manure with the decomposed corpses.

"Other corpses were destroyed by wild animals. That is why it may be impossible to find those American bodies." [passage omitted]

"We do not require money from the United States," the deputy director said. "We want to do this in a humanitarian way.

"For Cambodian people who have the remains, we will reward them with some cash from our government's money," he added. "It can be 200,000 riels (US\$327), it could be more."

The money is a fortune by Cambodian standards. But no rewards have been given because the six remains have not been identified at the Joint Casualty Resolution Center laboratory in Hawaii.

One set of bones from the six was traced to two American pilots who survived the 1973 crash of their bomber, Thon Hin said.

"The two pilots were captured by the Khmer Rouge and ill-treated by the Khmer Rouge" who enslaved them to "repair cars and tanks."

The pilots starved and complained about their tiny portions of food. "It is the habit of the Khmer rouge when someone says, 'I am hungry,' they will be executed. Because the pilots complained, so they were executed."

The Khmer Rouge ordered an elderly man to bury the pilots' remains. Years later, when he heard a reward was being offered for US skeletons, "he exhumed one set but said the other was stolen by somebody," Thon Hin said.

The four others' remains sent to Hawaii consist only of skulls found among victims who were tortured to death in Phnom Penh's horrific Tuol Sleng prison, which Pol Pot converted from a small high school into an interrogation centre. More than 20,000 people are believed to have perished there.

The four skulls came from fields littered with thousands of bones at Choeung Ek on the outskirts of the capital where corpses from Tuol Sleng prison were dumped.

"We don't know why those four skulls were in Choeung Ek. There were eight foreigners' skulls there.

"The US officials said the four other skulls didn't belong to Americans," Thon Hin said. Cambodian and US officials were not able to publicly name any of the remains.

Documents say many of the American MiAs are still buried north, south and east of Phnom Penh in the provinces of Takeo, Kompong Thom, Kompong Cham, Prey Veng, Kratie and Svay Rieng. [passage omitted]

### **Vietnamese Tax Hurts Koh Kong Economy**

91SE0297C Bangkok BANGKOK POST in English  
14 May 91 p 29

[Article by Sombat Raksakul]

[Excerpt] [passage omitted] In the past, the two allies, the Vietnam-backed government in Phnom Penh and the Vietnamese government, suffered under ASEAN's economic boycotts, allowing the island province of Koh Kong to flourish as a centre for smuggling, with its harbour nicknamed "Pak Klong."

From the port, middlemen traders used Cambodian territory as a landbridge, injecting various goods across the Vietnam border. Most of the goods were used motorcycles and used cars directly imported from Singapore.

Two years ago, during the administration of Gen Chat-ichai Choonhavan, the Thai prime minister who publicly announced his foreign policy designed to change the battle field into a marketplace, Koh Kong's economy was inadvertently created, and it rapidly boomed.

Later, unexpectedly, the Vietnamese government established a new tax barrier along the Vietnamese-Cambodian border, consequently causing the use of Koh Kong as a route for purveying goods from Singapore to Vietnam to become prohibitively expensive.

Foreign freighters, eager to circumvent the tax barrier, wasted little time in heading toward the ports in Vietnam instead, while trading with Cambodia began to centre on the Kam Pong Som port which is of a higher standard than Koh Kong.

The erstwhile allies in the battle field became enemies in the economic theatre.

The Phnom Penh government, which encountered fierce battle in the west, now was pressed by an economic war from the east.

And there is no mercy in economic war even for former allies.

Vietnam's new tax barrier was the nightmare death knell for Koh Kong's economy, although Koh Kong has not been the only place in the impoverished, war-weary

nation to be affected—the tax border has inflicted enormous economic damage throughout all of Cambodia. [passage omitted]

### **Koh Kong Foreign Economic Relations, Production**

91SE0297B Bangkok BANGKOK POST in English  
5 May 91 p 2

[Article by Suvit Suviet-Sawasdi: "New Taxes Cut Back Thai Trade Through Khmer Border Island"]

[Text] Two years ago the economic situation at Koh Kong, a Cambodian island province bordering Thai's Khlong Yai District, was booming.

That was when former prime minister Chatichai Choonhavan declared his policy to turn the Indochinese states from battlefields into marketplaces.

And the Thai government had shortened the list of "strategic goods," banned from cross-border trade with Cambodia, from about 200 items to only 27. Consumers goods from Thailand flowed to Koh Kong via Trat in large quantities every month.

The goods were subsequently transported to Vietnam through Koh Kong.

The economic situation was flourishing so well that three commercial banks were set up at Khlong Yai District to ease circulation of cash for the cross-border trade and fisheries in Cambodian waters.

But things are different today. Thailand's trade with Koh Kong is now retrenching.

Sun Suphapha, 54, a Thai trader in Khlong Yai District who enjoyed trading with Koh Kong, said one reason for the setback is that Vietnam has put up a tax barrier against Thai goods sent through Koh Kong.

The much higher tax has caused Thai traders to lose or get too little profit for huge investment, he said.

At the same time, Cambodian traders who send Thai goods to Vietnam face the same problem of higher tax.

"More than 80 per cent of the Thai goods are destined for Vietnam and less than 20 per cent are for Cambodian markets. It is not because the demand for Thai goods in Cambodia is small, but because Cambodia is facing an economic slump. The per capita income of the Khmer people is very low," Sun said.

Singapore, which had been covertly trading with Indochina—particularly Vietnam and Cambodia—has now established more direct trade links with the two countries.

Goods from Singapore and Thailand are of the same kind and quality. But Singapore's advantage over Thailand is that it can send goods directly into those countries.

In the past, Japanese used cars and motorcycles were shipped through Koh Kong. Now they are sent directly to Vietnam.

### **Consumer Goods**

He said another reason for the setback is that Japan has made many investments in Vietnam to produce consumer goods. Because of this, Vietnam has set up the tax barrier against Thai goods.

"Most Thai traders do not like to deal directly with the Vietnamese. There were many problems dealing with them. After being cheated or having payments for the goods delayed so frequently, they got tired of dealing with the Vietnamese because they had to invest a lot and risk a loss," Sun said.

In his last shipment of goods to Koh Kong, he invested as much as 8 million baht but made only 30,000 baht profit.

Many traders resort to smuggling goods into Cambodia by using an "ant army." However, they risk having their goods confiscated or burnt if caught.

The situation has been worsened by the fact that Cambodia has levied higher tax on goods sent into the country via Koh Kong, Sun said.

Manoon Sommai, the manager of Bangkok Bank's Khlong Yai Branch, confirmed that traders in Trat are suffering from the setback.

He said cross-border trade between Trat and Koh Kong was at its peak during late 1988-1989.

Bangkok Bank set up the branch in Khlong Yai six years ago and two other commercial banks followed suit because of the economic boom.

During 1989, at least 100 million baht a month was circulated in the district. Now the amount of money in circulation has been reduced by over 50 per cent, Mr Manoon said.

Traders have resorted to small-scale business, such as trading prepared wood from Cambodia and fishery products.

"They said it is not worth paying interest for loans now there are economic problems in Cambodia and Vietnam," he said.

He confirmed Japan has established factories to produce consumer goods in Vietnam, forcing Vietnam to impose higher tax on Thai goods to boost locally-produced goods, making it more difficult for Thailand to retain its markets in Vietnam.

"Moreover, our trade strategy cannot be matched to that of Japan. Thailand's policy is not conducive to trading with Vietnam and Cambodia," the bank manager said.

He said Thailand's trade via Koh Kong is unlikely to flourish as before.

"It is now easier for Singapore to send goods directly to Phnom Penh without having to do so through Koh Kong. Before the goods from Singapore were first shipped to Koh Kong from which they were transported on small boats to Phnom Penh. Now the goods are sent directly to Phnom Penh. I can see no way out for the Thai traders for the time-being," Mr Manoon said.

A Cambodian official at Koh Kong confirmed that Cambodia has been suffering from economic hardship since the Soviet Union and Eastern European countries cut their aid to Cambodia and Vietnam.

The amount of aid to the two countries in 1989 dropped by 80 per cent, putting them in a difficult situation.

Vietnam has to be more self-reliant, thus forcing Cambodia to follow suit, the official said.

Moreover, Cambodia's agricultural produce is not yet sufficient for domestic consumption. About 100,000 more tons of food and agricultural produce are needed every year, he said.

Cambodia produces only 400,000 tons of rice, a very small amount.

He said a shortage of diesel oil prevails in Phnom Penh because of the reduction in supply from the Soviet Union. Blackouts in the Cambodian capital are normal, the official said.

The annual per capita income of the Khmer people is US\$120.

Concerning the exchange rate, two years ago 7 or 8 riels could be exchanged for one baht. Now the exchange rate is 26-27 riels to the baht.

Corruption is also rife in the war-torn country since a soldier or government official receives only about US\$5 a month.

"It is necessary for the government to put more effort into improving the country's economy," the Koh Kong official said.

### Potential for Rubber Production Discussed

91SE0297A Bangkok BANGKOK POST in English  
9 May 91 p 16

[Excerpts] Chup, Cambodia (AFP)—Millions of tall, slender rubber trees stretch for miles in all directions from this small eastern Cambodian town, crucible of the country's top export commodity.

Nationwide output has almost reached pre-civil war levels and there is room to expand beyond the current 50,000 hectares (312,500 rai) under cultivation, officials say.

Some 30,000-35,000 tons are exported, bringing in \$15-20 million and making rubber the most important export for the beleaguered Phnom Penh Government, said Mao Chansamnon, permanent deputy general director of Kampuchea Export Import Co or Kampexim.

"We hope in future, if we have enough capital, we can expand these plantations," he said.

Every morning a force of 6,000 tappers heads out into the groves here to cut the trees and collect the sap of more than five million trees stretching in straight lines as far as the eye can see.

The precious creamy latex is then brought to the local factory in the early afternoon before it stops flowing with the heat of the sun, said Lang Sali, the plantation's deputy director.

There it is soaked in amino acid to enhance elasticity, washed, creped and granulated before being packed into pallets to be shipped or trucked off to Phnom Penh.

The French-launched Chup plantation, at 70 years the oldest and largest of several in Kompong Cham Province, exploits an area of 13,500 hectares (84,375 rai), said Lang Sali, adding that saplings had been planted on a further 6,000 hectares (37,500 rai) since 1986.

He put annual output at 12,000 tons of dry rubber per hectare (6.25 rai).

Most of this is destined for export markets, mainly to the Soviet Union, and Eastern Europe, and officials stressed how important this was to the economy.

"At the present time, the most important export of Cambodia is rubber and the second is timber," Mao Chansamnon said.

Kampexim is the main export agency for rubber, and Mao said the 30,000-35,000 tons shipped abroad every year ranged from high-grade "CSK-5L" to "CSK-50" and "low-grade."

In recent years, about 70 percent has gone to socialist countries and this high proportion is likely to continue—despite profound changes in economic relations—because Phnom Penh owes credits to Eastern Europe.

"We have obligations with the socialist countries because we owe them money," Mao said, while adding that the handful of Soviet mechanics left for home in September as Moscow cut back technical assistance.

Singapore firms lead the way from the capitalist world, while French and Thai companies are among other Western buyers of rubber from Cambodia. [passage omitted]

Today all the workers here have to defend the plantation," Lang Sali said, adding that Khmer Rouge and other resistance guerrillas had only been able to hit plantations in remote areas.

## Foreign Aid, Loan Projects' Progress Reported

### Australian-Funded Port in Bokeo

91SE0302A Vientiane PASASON in Lao 14 May 91 p 1

[Unattributed report: "A New Port Opened in Houai Sai"]

[Text] On 1 May there was a ceremony to open the big port at Houai Sai District in Bokeo Province. The construction of this port was aided by grants from an Australian development organization (IDEP). The total value of the construction was \$190,000. Construction of the port began in October 1990. It was constructed of reinforced concrete and was 130 meters long, six meters wide and 20 centimeters thick. In addition it had a system to prevent erosion in the area of the dock which covered 4,000 square meters. It was built to assure that water transportation for the provinces of the North could land and especially that transportation for Bokeo Province and the neighboring provinces would be more convenient than in the past. The development organization of the Australian Government provided grants for such projects in the past, and officials of the Mekong River port construction project cooperated with this organization in building four ports on the rivers of the North, namely: Bakkhon at Tha Deua in Sayaboury Province; the port of Tha Louang in Sayaboury Province; the port of Pak Beng in Oudomsai Province; and the port of Houai Sai in Bokeo Province. This organization will continue to provide grants in the same way in the future especially for projects at Paklai District in Sayaboury Province, at Sanakham District in Vientiane Province, and at other locations on rivers as needed.

### Italian-Aided Irrigation Project

91SE0302B Vientiane PASASON in Lao 14 May 91 p 2

[Report by Sainamkham: "The Nam Thum En 1 Irrigation Project"]

[Text] The project to build the Nam Thum En 1 irrigation system was made possible by a grant from the Italian Government of \$1,750,000 (U.S. dollars). The Mekong River Organization was responsible for the construction. The project was divided into two stages: the first stage involved clearing the land, excavating, filling in and pouring the concrete structure. This first stage of construction was valued at \$497,951 and is to take from January to August of this year to complete. At present the No. 1 Irrigation Construction Company and the Atlantic Company of Thailand, which bid for the construction, are working on the first stage of the construction.

The Nam Thum En 1 irrigation project is located on the right bank of what was the Nam Thum River and was in the area of the Nam Thum project. It will be able to irrigate 400 hectares of wet-field rice and 365 hectares of dry-field rice according to the plans. The Nam Thum En 1 project was undertaken to complete the En 1 irrigation

system for irrigating rice land according to plan and also to conduct training and experiments in specialties so that the people in the area of the project would understand the role the farmers and those using the irrigation would play in the irrigation activities. In addition to learning this role the farmers would also learn about using [pesticides] and chemical fertilizers and making use of irrigation. The project would also raise the level of understanding of the cadres and workers in the project about construction done under international bids. This meant that the cadres and workers responsible for the construction would have to work hard to meet technical standards all the time. In the past many projects were constructed without any such knowledge. This was the first project which was constructed under an international bid. If the construction runs into difficulties and does not meet technical standards or is delayed then this might hurt the construction sector and Lao cadres and workers in general because in the future if there are foreign assistance projects they might get more workers whom they trust from other countries than Lao workers and engineers. However we believe this project will be successful in every detail.

### ADB Loan in Paving Project

91SE0302C Vientiane PASASON in Lao 17 May 91 p 1

[Unattributed report: "On Highway 13 North 52 Km Have Been Paved"]

[Excerpt] According to a report from Bridge and Highway Construction Company 10, it was one of three companies to receive a contract for construction on Highway 13 North from the Vientiane Municipality to Vang Viang District in Vientiane Province, a distance of 156 km. This construction was valued at \$15 million. Some funds were borrowed from the Asia Development Bank, and some came from domestic sources. The Ministry of Communications, Transportation, Posts and Construction was in charge of the project and at present they are doing well.

The construction began in the middle of 1989. At this point 52 km have been paved with tar, 87 km have been packed with red earth for protection, and 137 reinforced concrete culverts have been put in. Two concrete bridges 79.3 meters long are being built. [passage omitted]

### Foreign Bidders in Construction Project

91SE0302D Vientiane PASASON in Lao 17 May 91 p 2

[Unattributed report: "Construction Continues on the Vientiane-Vang Viang-Luang Prabang Highway"]

[Text] Comrade Sadaphet Phothiwan, the head of the Highway 13 North construction project from Vientiane to Vang Viang, said that the construction on the highway from Vientiane to Vang Viang, which began in 1979, was 65 percent complete. This highway was 162 km long and six meters wide. The construction was valued at \$14 million. Funds borrowed from the Asia Development



Bank were combined with 1 billion kip in domestic funds for the project. The Ministry of Communications assigned three companies to begin the construction and repairs. These were the Vientiane Municipality Bridge and Highway Company, the Vientiane Province Company and the Highway 10 Bridge and Highway Company. It is expected that this highway will be completed in 1992. In addition to this highway construction they were also to repair various bridges and build 38 new concrete bridges six meters wide - wide enough for vehicles to pass easily. This was only 2.9 percent complete; there had been shortages of a number of things such as concrete, vehicles to be used in bridge building and culvert pipe. Later I met Comrade Sa-ngat Chunlamani, the head of the Highway 13 North construction project from Vang Viang to Luang Prabang. This project will begin at the end of 1991 with \$39 million borrowed from the Asia Development Bank. This project will be offered to international companies from various countries which are members of the Asia Development Bank. There are 29 such companies, and 17 have been chosen to submit bids. Only one company, a company which has the finances, the technical expertise and the experience, will be chosen to do the highway construction. In summary the highway from Vang Viang to Luang Prabang will be 230 km long and will take an estimated 39 months to build and repair. It is expected to be finished at the end of 1995.

Comrade Sa-ngat Chunlamani also told me that the Vang Viang to Luang Prabang construction project would be the first project for which international companies would be allowed to bid. Before the bidding we will have notebooks and detailed plans ready for the construction including the highway, bridges and culverts. The international companies will be able to conduct studies in order to be able to build the highway according to international standards.

### Counterinsurgency Operations, Proselytizing Activities Reported

#### Phong Saly Officer Views Security Conditions

91SE0303A Vientiane KONGTHAP PASASON LAO  
in Lao 14 Mar 91 pp 2, 4

[Unattributed report: "The Phong Saly Province Military During the New Changes"]

[Excerpts] On the occasion of the third congress of party cadres from throughout the Army, Major Somchan Sanpasut, as a regional representative representing the Armed Forces of Phong Saly Province expressed the view that: [passage omitted]

In 1990 in the area of public security in Phong Saly Province some basic problems were solved: the majority of the people learned to distinguish friend from foe and cooperated with the local Armed Forces in destroying a number of nests of bad groups. This gave the province the peace of a production base.

The local Armed Forces increased their capabilities for combat and victory. Every combatant was prepared to sacrifice everything for the peace of his locality. Their unity with the party's new policy for change and their faith in the leadership of the party was demonstrated when each unit took part with determination in the continuous operations to wipe out the bad groups. [passage omitted]

In summary the Armed Forces of Phong Saly Province have been able to correct any problem on their own in many different areas. The combatants had a peaceful, stable area in which to work, and the production base of the people had social peace. [passage omitted]

#### Bolikhamsai Security Conditions

91SE0303B Vientiane KONGTHAP PASASON LAO  
in Lao 26 Apr 91-2 May 91 p 3

[Report by S. Phouangdokson: "Sinsai Canton Is Rich and Strong"]

[Excerpts] Sinsai Canton was one of eight cantons affiliated with Paksan District of Bolikhamsai Province. It contained eight villages which were spread out along Highway 13, and it had a population of more than 3,000. [passage omitted] This canton had a reputation for being strong in public security. It was an area which bad groups feared very much. [passage omitted]

The guerrilla militia was stronger than the [enemy]. In the past they taught painful lessons many times to the bad groups which entered the locality to cause disruptions and plunder. In the past year they captured 14 members of such groups and killed one. They took back 26 head of cattle and buffalo which these groups had stolen from the people and returned them. [passage omitted]

Although members of the guerrilla forces generally had families, they did not neglect their duties. They organized village defenses and searched for and destroyed bad groups. In regard to this difficulty the person in charge of the guerrilla service of the district military headquarters stated that: "in fact the guerrilla forces of Sinsai Canton were very good. They were very alert at all times and were very prepared in political ideology. They could recognize the importance of their role. They were steadfast in carrying out any assignment. In addition the concept of friend and enemy was very clear to them. Their attitude with regard to maintaining their vehicles and weapons was good. They were the principle unit for blocking the operations and ideology of the enemy. This made the region one which was very difficult for bad groups to leave once they had entered." [passage omitted]

### Antibandit Operations

91SE0303C Vientiane KONGTHAP PASASON LAO  
in Lao 26 Apr 91-2 May 91 p 3

[Report by Ch. Pachak: "The Guerrilla Forces of Ban Nalouang Village Strive To Perform Their Duties"]

[Excerpts] For many years the people of Ban Nalouang Village, Saisomboun District, Vientiane Province have conducted their lives in peace free from the operations of bad groups. This was because the guerrillas of this village had achieved solidarity. [passage omitted]

The people of the region, aside from conducting economic activities to improve the standard of living of their families, also worked with determination to build on their great traditions in defending their locality. They took part in manning positions, coordinated with the local military in conducting sweeps for bandits and inspected the forests in their area of responsibility regularly. [passage omitted]

They divided up their forces into two parts as follows: one part was stationed in a fixed location, and the other part carried out duties a distance away. In the past the enemy conducted operations to disrupt the peace of the people in some locations in the mountains, but the guerrilla forces of this village increased their level of alertness and were ready to carry out their duties at any time, organize a defense of the village, conduct regular patrols, block every destructive stratagem of the enemy and also organize a number of their members to work with local forces to suppress bad groups in various areas quickly.

### Savannakhet District Security

91SE0303D Vientiane KONGTHAP PASASON LAO  
in Lao 22 Mar 91 p 3

[Report by S. Phouangdokson: "Outhoumphon District, a District Strong in National Defense"]

[Excerpts] In the past Savannakhet Province has worked to improve and build up the local military. [passage omitted] In particular Outhoumphon District has been recognized now as a district strong in the area of national defense. [passage omitted]

This was a big district, and it was a crossroads for important routes, namely Highway 9 and Highway 13. The population was made up of many ethnic groups, and many foreigners lived here also. For these reasons public security has met with more than a few difficulties. In addition enemy groups have conducted various kinds of operations to disrupt the peace of the people. They spread propaganda among the people to make the people lose faith in the administration. Some people cooperated with them. With regard to this problem the commander of the district military told our group of Army correspondents candidly that in the past public security in this

district had been very weak. Some localities were still not at peace and were open for the operations of bad groups. [passage omitted]

The commander of the district military said that now the multiethnic people of the district had a new ideology and way of doing things. They all took part with determination in public security activities. This was shown by their communications with the Armed Forces, by their following the operations of bad people and by their quickly reporting any situation which developed to the section responsible. As a result we were able to wipe out a number of the enemy. This brought peace to the various localities. In addition they played a role in building up the local Armed Forces. In 1990 they mobilized 150 of their people to fulfill their obligation to the nation - this exceeded the goal by 30 people. [passage omitted]

### Vientiane District's Security Campaign

91SE0303E Vientiane KONGTHAP PASASON LAO  
in Lao 22 Mar 91 p 3

[Report by Khamson: "The Guerrilla Forces of Ban Houa Sang Village and Public Security Activities"]

[Excerpts] [passage omitted] The guerrilla forces of Ban Houa Sang Village, Phasa-ngop Canton, Saisomboun District, Vientiane Province were capable of defending their area of responsibility. This was demonstrated when they received orders from upper echelons or from the battlefield -no matter whether it was day or night this guerrilla unit was ready at any time to go out to attack bandits shoulder to shoulder with the local military.

Second Lieutenant Paiyeulo, the Chief of Staff of the Saisomboun District Military reported to the author that in the past as well as the present the guerrilla forces of Ban Houa Sang Village were patriotic, inspected their areas and kept track of the situation within their localities in order to maintain the peace and make traffic from village to village and district to district more convenient than in the past. [passage omitted]

If at any time a dangerous situation arose, the guerrilla forces would go out on operations for weeks before returning home. At the village they looked after the needs of the guerrilla families so that they would be secure.

In addition they were also the eyes and ears of the Army and worked to search out the families which were not aware and were deceived by the enemy. They got them to return to their home villages through their understanding of the policies of our party and state. It was the unit for building the grassroots which worked to build up the guerrilla forces, and it was the united front of the village which did everything to make them understand the leadership policies of the party in the future.

Although they had these good points, they also had some failings, such as: their language and accent were not very

clear because the guerrilla forces of this village were generally Hmong and Lao Theung. This caused some difficulties.

At present the guerrilla forces of this village are working to achieve successes. Their main goal is to carry on with public security in their area with determination so that bad groups are not able to return to cause disturbances again.

#### **Combat in Savannakhet District**

*91SE0303F Vientiane KONGTHAP PASASON LAO  
in Lao 19-25 Apr 91 p 3*

[Report by S. Phouangdokson: "Naphosai Canton, an Outstanding Canton in Public Security"]

[Excerpts] Naphosai Canton is affiliated with Outhoumphon District of Savannakhet Province. It is located about 30 km northeast of the municipal area of the district. [passage omitted]

Because of the special situation of the locality which was secluded in the countryside with its villages scattered among the mountains and forests, at the end of 1990 it became a target for the destructive operations of bad

groups which sent spies to infiltrate and collect information and set up secret bases to create disturbances and make the people insecure in their work. Some believed their lies. But with their spirit of mastery over their home villages and confidence in their own strength, the people of Naphosai Canton and especially the guerrilla forces worked together closely and resolutely to wipe out these bad groups. Ten from these bad groups were killed and the rest were scattered. Since then this locality has been at peace and the spies have not been seen on operations.

Nevertheless because of their awareness and spirit of mastery they did not become negligent and did become complacent with their victory. On the contrary they increased their level of responsibility for defending their locality in order to be ready to thwart quickly any new schemes of the bad groups. In particular the guerrilla forces were always expanding their role and their great tradition. They were resolved to overcome any obstacle in defending their villages and to thwart any destructive operation or banditry against collectivities or the people by the bad groups. [passage omitted]

In summary in 1990 and the beginning of 1991 Naphosai Canton has experienced nothing but peace. [passage omitted]

## POLITICAL

### Call for Government Administrative Reform

91SE0314A Selangor SIN CHEW JIT POH in Chinese  
6 Jun 91 p 25

[Article: "Blueprint Drawn for Advance Toward Being an Advanced Country"]

[Text] Yesterday the entire nation celebrated the 63rd birthday of the yang di-Pertuan Agong in a festive atmosphere. In his royal statement, His Majesty referred to government's intentions to give impetus to development in various regards in order to improve the people's livelihood and to improve the efficiency of administrative organs. He also referred to the general public support for the state's future construction plans, and to government's positive efforts in civil rights. In particular, His Majesty emphasized that government should make fullest use of the countries bountiful natural and manpower resources so that Malaysia will be able to enter the ranks of advanced countries by 2020. Concerted efforts and common struggle toward these goals in cooperation with opposition parties, and will enable the citizens of the country to gain a clearer orientation toward the nation's future. All these changes and advances make us better able to accumulate strength and focus our will on breaking bottlenecks to bring about another takeoff in a new stage of development.

After calling on the Yang di-Pertuan Agong at the Istana Negara yesterday, Premier Mahathir especially noted that one of the tasks to which government must most urgently bend efforts is overall planning for national construction. It must coalesce public support and public resources to realize the ideals and goals of an advanced country within the anticipated period of time. The prime minister also indicated that government is interested not only in achieving high speed growth of the country's industry, but also wants to maintain a high economic growth rate to ensure that the people will be able to enjoy a better life now. In this regard, government will do all possible to reconcile long and short term conflicts of economic interests, and reduce conflicts between individual interests and overall interests to attain the goals of eradicating poverty and reorganizing society. As to how to make national construction truly able to fit in with the needs of overall and long-range development, the planning concepts that His Majesty and the prime minister proposed in discussing this plan must be thoroughly examined and various circumstances and economic prosperity problems weighed. We believe that when considering this plan, at least the following several planning orientations and key points must be addressed:

First is improved efficiency of service from government agencies.

His Majesty hopes to see the people united, while at the same time he also believes that vigorous government promotion of the loving heart [ai hsin 1947 1800] campaign can enhance cohesiveness among the people.

However, promotion of unity among the people requires not only social enculturation, but government must also be determined to safeguard democratic institutions, and extend the people's right to freedom. Admittedly, we are very concerned about government's future implementation of these preconditions; however, we feel that the present opportunity should be taken to make a conscientious critical examination of those things in government work style that people denounce today. We emphasize that government administrative accomplishments and service quality are largely determined by the outlook and work style of civil servants. If every civil servant has a modern outlook and is devoted to doing his job, and if a rational administrative system exists and democratic work standards are followed, a government will naturally be efficient and able to achieve. It can also provide the people with high quality service and lead the country toward the rapid development of modernization for early attainment of the goal of being an advanced country. However, careful examination of most civil servants today shows that in their self-cultivation, their style of operation, and quality of skills, they fall short of the needs of complex and multifaceted modern society. As a result, government performance cannot easily satisfy the needs of the people, and government administration lags behind real needs. Therefore, improving the efficiency of government organs has become the eager expectation of all the people, and it is also crucial to national development.

The special cabinet meeting of several days ago also approved the expenditure of more than 50 billion ringgits for the 6th Malaysian Plan. In order to ensure that the plan will reach anticipated goals, government organs must be reorganized first to improve the service efficiency of all civil servants to make it compatible with implementation of the cabinet's policies. Although the public endorses Prime Minister Mahathir's enduring efforts many difficulties lie ahead that require more vigorous actions and closer organizational coordination, flexible changes made in specific policies as a means of gaining further public support.

Second, full consideration must be given to policy implementation.

The prime minister has frequently emphasized that in order for Malaysia to become an advanced country, nine challenges must first be met, including the establishment of a tolerant and understanding multiracial society and a country in which there is a national consensus. As the prime minister has said, since the foregoing challenges stem from the integration and expansion of both Malaysian development plans and overall social plans at various previous stages, and thus not only combine the features of both past overall economic development and social plans, but also have a bearing on future economic prosperity or decline and the quality of the citizen's lives; therefore, an overall functional point of view must be taken, linking the two categories of the material and

the human as a starting point for a reconstruction blueprint that coalesces and elevates this generation of people.

The various problems being faced today in the domestic economy and society are, overall, actually a problem of complete imbalance, and the imbalance in cultural education is most serious. His Majesty's reiteration in his birthday remarks of the importance of building culture was actually extremely apropos. The changing of position between the rich and the poor or the widening of the gap between the rich and the poor in the course of rises and falls in the economy of recent years have both wrought changes in the social structure and caused the rise of opportunism. This has resulted in confusion in and dissipation of the old value system. Worst of all, government has long neglected the value of cultural education; it makes little effort to rebuild culture, and the social atmosphere grows worse and worse. This is a current mistake in government administration.

The prime minister said yesterday that in promoting the sixth Malaysian Plan, government will place particular emphasis on promoting an economic plan of balanced development in order to shape a more united and a fairer society.

We must remind government that numerous factors have created the foregoing problems, and that the people also frequently face these difficulties and perplexities. This is primarily because of the inability of our economy to achieve an "expansion of reinvestment" in high level industry as a means of attaining a higher level of industry once the limits of productivity of light industry have been reached. The result is that some national savings and assets are not converted into productive capital through various investment channels. Instead, they become "idle funds" that are invested in speculative businesses or trade deals in the market. Such activities inevitably gradually corrode willingness to work and creative zeal, and they impair the value concepts of all society. His Majesty's proposal to build a moral and loving society seeks to use the education of the public as a means of changing the bad situation described above.

We hope that the prime minister will be able to work practically and realistically in carrying out administrative reforms, and we hope that the government that he leads will be able to clear away all obstacles for thorough implementation of the aforementioned ideas for managing the country. At the same time, we also hope that all members of the opposition will forsake selfish factional interests and preconceived ideas to link hands in taking a healthy road toward national construction.

### **Imelda Plans To Return, Faces Charges**

*91SE0306A Manila DIYARYO FILIPINO in Tagalog  
12 Jun 91 pp 1, 2*

[Text] Solicitor General Francisco Chavez announced yesterday that the former First Lady Imelda Marcos can return to the Philippines in October because President Aquino has given her consent provided that she faces criminal charges.

Chavez stated that Mrs. Aquino wants to have Mrs. Marcos face charges, as mandated by the Swiss Supreme Court, so that the Philippines can get back the stolen wealth deposited in Swiss banks.

According to Chavez, the case will go to trial on or before 20 October so that the prosecutors will have sixty days to verify whether there is sufficient evidence to support the accusations against the former First Lady.

The Swiss court designated 20 December as the deadline for the Philippine Government to press the criminal charges with the intention of reclaiming from the Marcos family the \$350 million in stolen wealth.

Chavez verified that Imelda can return to the country once the lawsuits against her have been initiated because Philippine law prohibits a court hearing without the presence of the accused.

On the other hand, Chief David Castro of the Presidential Commission on Good Government (PCGG) said that it would be possible to bring the case against Mrs. Marcos in September.

Castro also announced that Executive Secretary Oscar Orbos yesterday approved the funds necessary for holding the court hearings on the lawsuits facing Mrs. Marcos.

According to Castro, the background studies undertaken by the PCGG lawyers and by Chavez on the documents supporting the charges against Mrs. Marcos are now very near completion.

However, Castro stresses the fact that it is imperative that the documents from the Swiss government needed to press the criminal charges against Mrs. Marcos be sent to the Philippine Government as soon as possible.

Castro added, "The charges can be filed either in September or October, but, it seems to me, it will most likely take place in September."

Chavez said that the government cannot meet the deadline set by the Swiss court if the documents are not sent in before the end of the current month.

Chavez also accuses the Swiss Government of not being perfectly clear in its intention of helping the Philippines, since up until the present time, the information and the documents received by the Philippine Government have remained incomplete and insufficient.

According to Castro, the forfeiture and the criminal charges against Mrs. Marcos will be filed simultaneously in order to meet the deadline set by Switzerland.

Castro added, "I think that after the case has been filed, the ban on the return of Mrs. Marcos to this country will be lifted."

Castro also stated that the funds needed for the litigation against Mrs. Marcos in New York and for the payment of the Filipino lawyers are being readied.

Castro didn't mention the amount of money set aside by the government for the court cases.

### **Senator Jovito Salonga Comments on Base Compensation**

*91SE0280D Manila DIYARYO FILIPINO in Tagalog  
30 May 91 p 2*

[Reported by Luisa Novella, Ernesto Reyes and Omar Padilla]

[Text] The national interest and independence are of much greater importance to the senators than the payments for military bases according to agreements with the United States.

This was the reply of the Senate Head Jovito Salonga to a report in which eleven senators completely supported the government's compensation package for the bases.

Salonga said, "To most senators the amount of compensation is not that important. Of more importance to them is the nation's best interest."

In other related reports:

Representative Bonifacio Gillego (Ind., Sorsogon) stated that there is no more need for a new military treaty to ensure the security of the Asia Pacific region.

This was Gillego's response to the proposal of Secretary Raul Manglapus of the Department of Foreign Affairs (DFA), also head of the Republic of the Philippines (RP) panel, that the Asian nations should have a form of defense similar to the North Atlantic Treaty Organization (NATO).

Secretary Alfredo Bengzon of the Department of Health (DOH), a member of the RP panel, also said that it is no longer necessary to hold new negotiations on such treaty agreements because the Philippine position is now clear.

Two days ago, Secretary Jesus Estanislao of the Department of Finance (DOF), in conjunction with President Aquino's briefing to the eleven senators (mentioned previously), clarified that the compensation asked for by the Philippines is divided into two parts.

The first part is the Philippine-American Security Cooperation (PASC) on non-budgetary items such as the Foreign Military Fund (FMF) and the Economic Stabilization Fund (ESF).

The second part is the Economic Cooperation on budgetary items such as food and shelter and foreign capital investments. It will be included in a budget for the Philippines that needs the approval of the U.S. Congress.

The Philippines originally asked for \$825 million dollars annual compensation for seven years for Clark Air Base and Subic Naval Base, as compared to the \$360 million proposed by the U.S.

Salonga stresses that the amount that the United States pays shows a lack of understanding about the bases. He said, "The sovereignty and independence of the Philippines are of greater value to most senators."

The senate leader added that he would discuss this with the senators once the treaty has been agreed upon in order to obtain a consensus on either ratifying it or rejecting it.

On the other hand, President Aquino asked the eleven senators to talk to their fellow senators in the 23-member conference in order to persuade them to support the completed treaty agreements.

A two-thirds vote is needed in order to ratify the agreements to be adopted.

In this connection, Crispin Beltran, leader of the militant May First Movement (KMU) called on the senators not to support the pro-bases-Malacanang position.

Beltran said, "We call on the senators to stand firm on the Philippine interest in closing the U.S. military bases...as provided for in the Constitution."

Beltran accused the administration of "arranging" the new treaty. And he further stated, "Whatever treaty it is that causes the retention of the U.S. bases in the country will be opposed by all patriotic and freedom-loving Filipinos."

### **Mindanao Party on 1992 Election**

*91SE0255B Manila DIYARYO FILIPINO in Tagalog 3 May 91 p 1*

[Article by Eddie Galvez]

[Text] Yesterday, the newly-founded Mindanao Party indicated that its candidates will not "be able to garner votes" in the 1992 election if Mindanao continues to be considered to be of no value.

According to the party spokesman, Representative Prospero Nograles (LDP-Davao), Mindanao has been bypassed by progress and forgotten by the government.

Nograles stated that only very little money has been reserved for projects in the province from the Philippine Assistance Program (PAP) funds during the last pledging session in Hong Kong, where \$3.3 billion was offered to the Philippines.

Nograles said that the above amount will be spent in "selected provinces, especially in Luzon, which advocated the government's position."

According to Nograles, Mindanao, which is the leading supplier of raw materials for industry, can only get five (5) percent of the PAP projects, while Luzon can get 80 percent.

The rest will go to some places in the Visayas which the government has also forgotten about already.

Nograles emphasized that Mindanao is remembered only during elections "and that the candidates make so many promises concerning the progress of our region."

### **Osmena Announces Presidential Ambition**

*91SE0279E Cebu City SUN STAR in English 16 May 91 pp 1, 2*

[Text] Cebu Governor Emilio Osmena yesterday admitted that he is seriously "in the running" for the presidency in 1991.

However, the lack of a major political party to support his bid and his "popularity rating" will affect his chances of being taken as a major contender for the national office.

"As of now, I am in the running. But there are two hurdles that I have to overcome: first is the popularity rating and second, the vehicle—the party," said the 52-year-old governor in an interview yesterday.

Osmena's public pronouncements about his presidential aspirations until this week, were limited to declaring he was "available" for a presidential draft.

Over the weekend, however, the governor spoke before members of a private foundation in Cebu city where he gave an emphatic "yes" to the question "Are you running for president?"

The governor reaffirmed this in an interview with SUN STAR DAILY yesterday.

According to the governor, the absence of a party at this point is not a major setback to his plans.

### **Invitation**

He said he has been getting "invitations" from key members of major political parties who promised full support for his presidential bid.

"I have been invited in practically all the major parties by some of its members. They want to support me for the presidency but they said it is better if I move in to the party because then they can openly work for me," said the governor.

Osmena mentioned three parties—the ruling coalition Laban ng Demokratikong Pilipino (LDP), the Liberal Party (LP) and the Nacionalista Party (NP).

But Osmena said he has to "weigh things very carefully" before joining a party. He said his standing in a political survey has to be settled first.

"I feel that if I can rate high, I will be invited as a draft candidate for president. My hope is to have a nice ticket that would be composed of quality people who would not be compromised... That would depend on how I rate. This is a rating game. If I will rate, I will be sought and therefore I can make more demands as far as the line up is concerned....," he said.

When asked if he is already seriously into the ratings game, the governor said: "It looks like it."

#### Survey

Last month Osmena said a nationwide survey conducted early this year by a private group he called the "Social Weather Bureau" (as distinguished from the Ateneo's Social Weather Station) showed he was No 8 in the list of presidential contenders.

That survey showed Miriam Defensor Santiago heading the list, followed by Defense Secretary Fidel Ramos, Senate President Jovito Salonga, Senator Joseph Estrada, President Aquino, Senator Orlando Mercado and Former Armed Forces Chief Rodolfo Biason in the seventh place.

Osmena hopes to break into the top five. Results of another survey to be conducted by an independent and reputable survey group are expected in September.

Major political parties are reportedly interested in Osmena for a vice-presidential draft but he has repeatedly said "I am not running for vice president."

In the last two months, Osmena has made inroads into national prominence, largely due to national and international reports on the fast-growing economy of Cebu.

#### PR Firm

Osmena "supporters" have provided him the services of a reputed public relations consultancy firm in Manila to help boost the governor's in popularity.

Outside of his nationwide barnstorming for the Local Autonomy Movement of the Philippines (Lamp)—which the governor recently reduced from three days to two days a week (Fridays and Saturdays or Saturdays and Sundays), the governor's weekend schedules are now peppered with out-of-town speaking engagements with influential business groups and meetings with local and foreign corporate leaders.

Most recent was his meeting in Manila with the Philippine alumni of Harvard University.

#### Natural Allies

In late March the governor was quoted by national newspapers saying that should he decide to run for

presidential he hoped to count on "natural allies" across the national developed from the first generation of Osmenas.

There were also reports that the governor had gotten the blessings of a "prince of a church", a reference to Manila Archbishop Jaime Cardinal Sin, but the governor declined to comment on this except to say that "I am flattered if that is true."

His nationwide barnstorming for LAMP, which started in April, has brought him into personal contact with local government and business leaders. The Lamp campaign, he said, would help him find out if he is "electable" for a national office.

On Friday, Osmena is scheduled to take his Lamp sortie to the Bicol region.

Last month in Dumaguete city, Osmena said he had decided to declare his "availability" for presidency because a "red-robed" Church leader has told him that "having been blessed with good fortune and a good family, it is already time for you to share your blessings by serving the country, otherwise, it (the blessings) might be taken away from you."

According to the governor, this was a "turning point" that made him give serious thought to taking a crack at a national office.

#### Dream

In Tagbilaran city, the governor's speech before barangay officials mentioned a "dream" he had where "usa ka tawo nga puwa'g kawo (a man in a red hat) told him to "do something for the nation."

Accused by critics of using Lamp to pursue his political aspirations, the governor has pointed out that not a single centavo of government money has been spent for the sorties.

Lamp organizers, including the governor, have remained mum as to who finances the sorties except to say that Osmena has "friends and benefactors."

His being away from the Capitol for at most three days a week, was another issue raised against him.

But the governor maintained that if he counted the hours and days he spent at his office in the Capitol since the time he took office in 1988, "I would by now have served my full term a long time ago."

With all the criticism raised against him—particularly his stand on controversies like power rates, the selling of provincial landholding and his tendency to dictate his wishes to other provincial officials—the governor said yesterday: "Syon ra man kaayo nang mag-pagar-par ba. But the bottom line is ... when the scored are settled at the end of my term, tan-awon nato kinsa y sincero." ELB



**Cojuangco Calls for 'Wise, Effective Leadership'***91SE0279D Cebu City SUN STAR in English  
15 May 91 pp 1, 2*

[Article by Michelle P. So]

[Text] Presidential aspirant Eduardo M. Cojuangco last night the country needs "wise and effective leadership" to "straighten its political and structural defects."

The 55-year old businessman was speaking before 400 delegates to the 10th Asia Pacific Jaycees Senators conference at the Montebello Villa Hotel. The delegates come from 18 countries in the Asia Pacific region.

"What this country needs to straighten its political and structural defects, is wise and effective leadership. What is needed is a leadership that is capable of harnessing the vast resources, both human and natural, for progress and national development," he said in his prepared speech.

Early in his address, he cited the 49 percent poverty level of the country's population, the thousands of Filipinos who seek employment but do not find it, and the country's slow economic growth this year.

However, he expressed the hope that the Philippines would not remain in this condition "for I believe the fundamentals of this country remain sound."

"We have ample resources, we have the skills, we have the active entrepreneurial class. What is probably missing is the political will to mobilize resources towards sustained and large-scale development," Cojuangco said.

"In the context of global economy, where interdependence and development assistance are taken for granted, I would like to think that the bottom line remains the political will of government and the self-reliance of its people.

"It is the function of leadership and eventually government to organize, inspire and motivate our people to take on the burdens of nation building," he added.

Cojuangco, a doctor of economics and a stockholder in various business ventures, emphasized the importance of a decisive government as well as a national leader to "mobilize resources for national development."

Given the proper leadership, he pointed out, the country could become "modern, peaceful, prosperous and truly free" before the decade ends.

He also noted that the Philippines is the "odd man out" among Asia Pacific countries which have progressed expansively.

"Apparently, the only country where the much-awaited economic miracle did not take place was here," he said.

The former congressman remained optimistic the country would "catch up" although the "journey to progress is a difficult one." MPS

**Opposition Warns of Boycotting Election if Cory Runs***91SE0280F Manila DIYARYO FILIPINO in Tagalog  
24 May 91 pp 1, 2*

[Text] There is a strong possibility of the opposition boycotting the 1992 election if President Aquino runs again.

In the weekly Congress Forum, Blas Ople, the former Minister of Labor, stated that many of his colleagues believe President Aquino will violate the Constitution if she runs again in the election.

According to Ople, the opposition policy bodies have not yet formally discussed the said boycott, but it has been studied in case of "a clear and definite violation of the Constitution."

Ople, a member of the 1987 constitutional commission, added that, "We will give consideration to the most effective means if we are faced with a serious situation."

Regarding the political party opposition, Ople stated that there is a strong possibility that other forces of society from both the left and the right will join the boycott.

Ople added, "I have comembers in the opposition who believe in the need to launch a boycott, once the Fundamental Law (of the Land) is violated because the government will be blemished if Mrs. Aquino runs again."

Ople indicated that Section 4 of Article VII of the Constitution prohibits a second-term candidacy for the president.

The issue of President Aquino running again in the coming election became heated when she declared a few days ago that she will be forced to become a presidential candidate again if the government LDP ("For the Filipino- Democratic Party") will not immediately choose its standard bearer.

Secretary Fidel Ramos of the Department of National Defense (DND) and Speaker Ramon Mitra of the House of Representatives are forerunner contenders for the LDP presidential candidacy.

**Residents Occupying Land Asked To Leave***91SE0255C Manila DIYARYO FILIPINO in Tagalog  
3 May 91 p 1*

[Article by Franklin Joy Gonzales]

[Text] TARLAC, Tarlac—the outspoken 1,015 residents of Barangay Catehan have said, "This land belongs to us and not to the Cojuangcos. They have no right to drive us out."

In a rally held in Tarlac yesterday morning, Barangay Chairwoman Linda Gonzales stated that the residents received an order to leave the land (an eviction notice)

from the Tarlac Development Corporation (TDC)—a company owned by President Aquino's family.

According to Gonzales, the residents have earned their livelihood in this barangay since 1926, and this place was registered as a barangay in 1974.

It has been learned that the "Barangay Council" has made an inquiry in the Tarlac Assessor's Office about who owns the land, and it was discovered that no one has (ever) paid the realty (real estate) tax.

It was learned that the 2.85 hectares of residential lot have no lot number and thus, it was concluded that since no one administers it, therefore no one owns it.

Meanwhile, the 4,000 workers on the sugar plantations of Hacienda Luisita are unanimous about informing President Aquino of their complaints.

Alex Gonzales, United Luisita Workers' Union spokesman, said that the workers have still not received the benefits promised them by the Luisita Administration, such as a 12-peso-a-day living wage, temporary economic relief amounting to 500 pesos, and a 10 percent productivity bonus.

Gonzales sighed with frustration thus: "Right here in the President's very own town the law has not been upheld."

During the peaceful rally of the residents and workers, a group of military men joined in, and all of a sudden shot their armalities (a type of gun) into the air before getting in a blue Ford Cortina with a license plate number NTC-701. There has been no report of anybody being wounded in this incident.

#### **PDP-PMP Join Forces**

91SE0251D Manila DIYARYO FILIPINO in Tagalog  
19 Apr 91 p 2

[Article reported by Ernesto Reyes and Omar Padilla]

[Text] Yesterday, Senator Aquilino Pimentel announced that there is a strong possibility that his Pilipino Democratic Party (PDP) and Senator Joseph Estrada's Pilipino Masses Party (PMP) will join forces in the 1992 elections.

At the celebration of his son's passing the bar examinations as a "topnotcher," Pimentel announced that he and Estrada have been in continuous discussion about joining their parties' forces.

The Senator stated, "Erap and I have been constantly talking about the possibility of uniting our political parties."

He added, "Erap has no intention at all of uniting the PMP (i.e., his party) with the pro-government For the Democratic Pilipino Party (LDP) of Speaker Ramon Mitra."

Estrada is now going to register the PMP with the Commission on Elections (Comelec) in order to formally launch it as his own political machinery in the coming elections.

DIYARYO has also learned that the businessman Eduardo "Danding" Cojuangco is going to register, on 8 June, with the Comelec, the party he founded called the Pilipino Party (PP).

According to one source, the leaders of the PP have agreed on the registration date during "a meeting at Danding's house a few days ago."

Danding Cojuangco has made it clear that he will not run for the presidency for "his interest is mainly in getting back the farmers' money in the United Coconut Planters' Banks and some properties sequestered by the Aquino administration."

DIYARYO has also learned from a source very close to the former First Lady Imelda Marcos that there is a strong possibility that Ferdinand "Bongbong" Marcos, Jr. will run for the governorship of Ilocos Norte (northern Ilocos). However, the same source confirmed that Mrs. Marcos would not run for president, but would rather just support some (other) candidates in the coming elections.

The same source also announced that the Nacionalista Party (NP) might get support from the Marcoses' wealth.

Based on recent indications, there is a strong possibility that Senator Juan Ponce Enrile will be chosen as the NP standard bearer in the coming presidential elections.

#### **Newspaper Comments on Vice-Presidential Candidates**

91SE0280E Manila WE FORUM in Tagalog  
31 May 91 p 12

[Text] According to informed sources in the Senate and Congress, political conjectures now center, in the urban areas, on the possible rising stars, plausible vice-presidential candidates.

Senators and congressmen have frequently received information from their constituencies. On this basis, lawmakers often visit their provinces to consult or obtain information.

It has become evident that lately the people are giving importance to the choice of the vice-presidential candidate. In reality, they say that the vice president, as a public servant, must be given a specific role in the government.

It has been reported that the current "favorites" for the second highest position in the nation are Governor Lito Osmena of Cebu Province, Executive Secretary Oscar Orbos, Senator Joseph Estrada, former Ambassador Danding Cojuangco, former Secretary of (Reformed

Agricultural Land) Agriculture Miriam Defensor Santiago, and Majority Leader Teofisto Guingona, Jr.

Informed political sources believe that Osmena will be the vice-presidential choice of President Aquino if she decides to run for a second term. The same sources believe that Osmena will also be the choice of Defense Secretary Fidel V. Ramos if he is nominated to be the standard bearer of the "For the Filipino-Democratic" party (LDP).

Furthermore, it has also been said that if Speaker Ramon V. Mitra, Jr., will be the presidential nominee of the LDP, the popular Cebu governor will also be his first choice for vice-presidential candidate.

Meanwhile, reports are spreading in Manila, Cebu City and Iloilo City of a group of young governors and city mayors belonging to a nationalistic party who are planning to launch an Orbos-Osmena ticket. They hold the view that an Orbos-Osmena ticket will be victorious as a "team of achievers" or as "partners who can deliver."

However, there are pro-Mitra-ites in congress who favor a Mitra-Orbos ticket. Those in congress estimate that there are about 132 congressional candidates for reelection who will support the above ticket combination. Orbos has already established a reputation as house deputy majority leader. Likewise, there are also rumors in the administration that the executive secretary may be a "dark horse" among those in the presidential race.

Miriam Defensor Santiago, who has firmly stated that she has no intentions of running for the vice-presidency, has been reportedly selected by an influential group of women lawyers to be the running mate of Senate President Jovito Salonga, the widely known standard bearer of the Liberal Party. The women's leader believes that a Salonga-Santiago ticket will be strong because it will be supported by the intelligentsia, the professionals, and the young voters.

Still another partnership believed to be strong is the Salonga-Guingona combination. In the provinces, Guingona is regarded as one of the victorious heroes who fought the Marcos dictatorship.

On the other hand, political feedback from the provinces, especially from the Visayas and Mindanao, portray a strong, experienced and efficient team in the combination of Senator Aquilino Pimentel, Jr., president of the LDP-Laban, and Senator Estrada. The Pimentel-Estrada partnership is believed to be capable of responding to the public's demands for a new philosophy, orientation, and direction in the national government.

However, Estrada's political lieutenants say that Estrada has already gone too far in his bid for the presidency for him to be simply a vice-presidential runner-up.

Yet, one good thing about the businessman Danding Cojuangco is that everyone who wants to be a presidential candidate wishes that he be his vice-presidential

mate. In addition, all the big political parties welcome him with open arms to their side, and for Danding's part, he's still trying to select a party with a new name and ideology.

Similarly, one thing is certain: All reports regarding possible vice-presidential candidates boil down to this: they should have the qualities needed for becoming presidential aspirants.

### **Congressman on Rights of Disabled To Vote in Election**

*91SE0180C Manila DIYARYO FILIPINO in Tagalog  
1 Jun 91 p 2*

[Article by Omar Padillo]

[Text] The House of Representatives has approved a bill that gives the disabled and the uneducated (illiterates) the right to vote.

Representative Art Borjal declared that the purpose of the House Bill No. 34245 is to rectify the right of suffrage of the disabled and uneducated (illiterates) by helping them to write on their ballots the names of the candidates they choose in the coming elections.

According to the bill, the voter must present a document attesting that his/her escort companion is a relative or a trustworthy friend.

In addition, Borjal clarified that before the disabled can vote, they must follow the normal voting registration procedures.

Meanwhile, Commissioner Haydee Yorac of the Commission on Elections (Comelec) agreed to Borjal's proposal.

According to Yorac, it (the bill) will be a big help to the Comelec in the sense that it will lessen the difficulties the Comelec would encounter in monitoring the disabled vote which could cause confusion and trouble during the elections.

### **Enrile Underscores Need for Nuclear Plants**

*91SE0279B Cebu City SUN STAR in English  
17 May 91 p 4*

[Text] Visiting Sen Juan Ponce Enrile yesterday said he would push for the operation of two nuclear power plants in Luzon and Mindanao if elected president in 1992.

Enrile, who is seeking the nomination of the Nacionalista Party, said unless the country finds a stable source of power and solves its energy crisis, its future development will remain uncertain.

The opposition senator was interviewed by reporters in Cebu city, where he had various speaking engagements.

Last night, Enrile was one of several testimonial speakers at a gathering of born-again Christians of the Full Gospel Business Men's Fellowship International at the Magellan Hotel.

During an ambush interview, Enrile underscored the need for an improved energy program.

"Unless we solve the energy problem, there is no hope for any improvement in the nation's condition," he said.

"Unless you have steady energy sources, we will always be uncertain about the future."

A broadcast report over Channel 7 quoted Enrile as saying he would push for the rise of two nuclear plants in Luzon and Mindanao, if elected as president.

Enrile said he would negotiate with Japanese investors to finance the plants, let the public buy shares of stock and keep the government's role to a minimum, just enough to regulate operations.

The country's lone nuclear plant in Bataan was built during the Marcos administration. It stopped operation when Aquino government officials questioned the terms of the foreign loans and contracts used for its construction.

The mothballed plant has been cited as a cause for the failure of the National Power Corporation (Napocor) to meet a growing power demand in Luzon, which is dependent on fossil fuels and dams to produce electricity. EGM

#### Government Sees Private Sector for Assistance

91SE0279A Cebu City SUN STAR in English  
10 May 91 pp 6, 8

[Article by Godofredo M. Roperos]

[Text] As far as we can remember, this is the first time the government has openly turned to the private sector for assistance in solving our low export earnings as compared to our import expenses. Latest report we read indicated the republic's trade deficit is estimated to reach \$4 billion at the end of the year. This balance of payment anomaly has never happened to the country before, in terms of the hugeness of the amount incurred. True, there were trade imbalances in the past, but it never reached this high, not even beyond a billion mark. What exactly, is happening to us? Where have our policy makers gone wrong?

But that is precisely what we are going to talk about here. Not being privy, however, to the inner circle of the President who must have advised her on the policies she has adopted for her administration, the most we can do is consider what have been written about in our national dailies. First off, we believe what Trade and Industry Secretary Peter D. Garrucho is trying to do now, which is try to take measures to correct what his predecessor did wrong, together with the other economic planners

around President Cory. At the risk of being branded repetitious, what exactly had his predecessor done wrong?

Well, we are sure everyone who has been closely following the deterioration of the national condition on the economic sphere, knows the sad effect of President Cory's import liberalization policy. It has been gravely disastrous to our balance of payment. Since the time our importers were given the go signal to import at will all goods contained in a list prepared by the DTI under former secretary Jose Concepcion, Jr., our export earnings were never the same again. There were never enough to cover the cost of importing non-essential goods, from apples and grapes to expensive perfumes and textiles, that only the rich in our society enjoyed.

In fact, we recall, Cebuano exporters had complained their dollar earnings were mostly used by Manila importers, to the detriment of their own business interest, since the dollars were retained by the Central Bank in Manila, while they were given only the peso equivalent, pegged at the then prevailing exchange rate of P [peso] 20 to the dollar. Whereas the imported goods were sold in the domestic market at an enormous profits to the importers. Only a fixed percentage of the dollars earned by our exporters were returned to them to be used in the importation of spare parts and equipment for their operation. It was a situation where our exporters were doing the "cooking" and the importers were doing the "eating."

It was at the time the import liberalization policy of the Aquino administration was initiated that our balance of payment also started to deteriorate, to be negative. There was an almost instantaneous outcry against the policy, but our President stood steadfast in favor of the policy. This is probably what is wrong with President Cory. She has the propensity to stand steadfast, to be bullheaded, for the wrong concerns. (As in the case of the military bases negotiation, to cite another instance.) She never listened to the clamor of the people, to the preponderant public opinion. (Well, of course, she has announced early on she is not the one to take unsolicited advice.) So, now, we are faced with an enormous trade deficit. Poor Peter D. Garrucho, he is left to salvage the situation.

But the way we look at it, even if he is able to tap the assistance of the private sector, particularly the operators of super stores, he will never be able to bring down the deficit to a more acceptable level, such as below the billion dollar mark. That is, if he relies only on an increased exports by our businessmen. For so long as the importers are left to their own designs, and continue on importing non-essential goods, including those we could have quality substitutes for. It is possible that our earnings from increased exports will only cancel out with the cost of increased imports. If this happens, however can Secretary Garrucho succeed in reducing our trade deficit?

What ought to be done is to counter-balance the planned DTI move to tap the giant department store operators to help increase our export earnings with a similar move to reduce our import expenses. Perhaps, what the DTI should do is get the President to relax on her stance regarding imports and prune down the list of goods covered by her liberalization policy. We understand the list started only with a thousand items, but it has been increased considerably in recent months. (But how true is it the commodities produced by the Concepcion chain of industries are not included in the list at all, such as some household appliances?) If what we were told is true, then it is time Secretary Garrucho should also initiate seriously a pruning operation on the list, that is if he is determined about bringing down the enormous trade deficit we are experiencing now.

While it is true there is a perceptible improvement in the economic condition of the country in recent weeks, still we would like to see further improvement before the year ends. We are sure there are any number of ways the President can undertake to do this, one of which is the junking of her import liberalization policy. This has not benefitted the country any, except the affluent few.

#### Senate Calls for Wage Increase

91SE0251F Manila DIYARYO FILIPINO in Tagalog  
23 Apr 91 pp 1, 2

[Text] The Senate is in opposition to the statement of President Aquino to the effect that the wage increase for enabling the workers to cope with the rising prices of goods cannot be granted.

The Senators are pressing for the worker wage increase in order to enable them to deal with the 21.2 percent inflation rate.

A few days ago, Mrs. Aquino announced that the workers would not be given any wage increase on 1 May, Labor Day.

Mrs. Aquino explained the impossibility of the worker wage increase on the basis of the law stating the necessity of the passage of a 12-month period after the previous wage increase before any other wage increase can be considered. The last time the minimum wage was increased was last January.

The President also announced that there might not be any other worker wage increase before the end of her term in May 1992.

According to Senator Aquilino Pimental, Jr., Mrs. Aquino should not have made any pronouncements regarding the worker wage increase, since it is the duty and the responsibility of the regional wage boards to alter wages.

The Senator added, "If the national economy can stand an increase in wages, then the workers' wages must be increased.... Otherwise, the workers must be given generous benefits."

Pimental proposed to the private sector that they provide non-wage benefits to the workers if they cannot afford to grant wage increases.

Pimental suggested profit-sharing, bonuses, additional allowances, and other kinds of assistance to enable the workers to purchase daily necessities.

Senator Ernesto Herrera also suggested that any wage increase should be executed by means of the Bargaining Agreement (CBA).

The Senator, a former union member, also stressed that the government workers' wages must be increased because they constitute one of the sectors that have extremely low wage levels.

The Senator further clarified his position thus: "The government workers' wage increase requires funds of 6 billion pesos under the Personnel Economic Relief Assistance or PERA."

On the other hand, Senator Victor Ziga asked the government to set aside funds intended for non-urgently needed projects and spend them on extremely important issues like "wages."

Ziga added, "Funds must not be reserved for unimportant projects, like the building of a large sports complex.... Projects like this must be stopped."

However, according to Senator Heherson Alvarez, the national economy will get worse if the Filipino workers' conditions do not improve.

Alvarez further stressed, "The workers' wages must be increased to prevent them from starving to death; otherwise, the national economy will suffer a grave crisis if that happens."

#### KMU, TUCP Demand Wage Increase

91SE0251E Manila DIYARYO FILIPINO in Tagalog  
24 Apr 91 pp 1, 2

[Text] Yesterday, the militant May First Movement (KMU) and the conservative Trade Union Congress of the Philippines (TUCP) joined forces in order to demand from President Aquino a change in her earlier decision to freeze the minimum wage of the workers.

The two largest union federations in the nation made it their cause to demand the wage increase for the workers in order to enable them to cope with the ever-increasing prices of goods.

However, the President responded by telling the workers to present their grievances to the Regional Tripartite Wage and Productivity Boards (RTWPB) because it is these boards who decide on wage increases.

Mrs. Aquino put her emphasis this way: "We have a national mechanism for deciding wage increases, and this is by means of the RTWPB."

According to the KMU and the TUCP, the over 21 percent national inflation rate noted within a month's time is extremely exorbitant for the workers on the basis of the buying power of their current wages.

The President also stated that the current wage cannot be increased because the minimum wage has just been increased this last January. The law provides that wages can only be increased 12 months after the last previous wage increase.

Instead, Mrs. Aquino promised to increase the nonwage benefits, such as bonuses and allowances, of the workers.

Thus, the KMU and the TUCP have falsely accused Mrs. Aquino of caving in to the dictates of the World Bank (WB) and the International Monetary Fund (IMF) on obeying the wage freeze policies related to the composite economic program of the nation.

The KMU's and the TUCP's announced that the refusal of the President to increase wages is contained in a Letter of Intent which the government handed over to the IMF.

Together with this Letter, Mrs. Aquino noted the demand of the KMU to roll back the former price of oil.

According to the KMU, the oil price can be lowered because of the fact that worldwide oil prices have already gone down.

On the other hand, Mrs. Aquino issued a clarification: "The oil price cannot be changed because the balance of the Oil Price Stabilization Fund (OPSF) is still negative, i.e., in the red."

However, Mrs. Aquino proposed to the TUCP that they present to the House (Congress) their demands for the deferment of tax payments of workers earning less than 8,000 pesos per month.

Mrs. Aquino added further: "They should also present their demand for tax exemption to the House."

The President also offered no response to the demand of the employees of the National Corporation of Engineers (NAPOCOR) at their rally in front of Malacanang yesterday, where they demanded the firing of Ernesto Aboitiz as president of the corporation.

The employees accused Aboitiz of anomalous management of the company.

According to them, ever since Aboitiz took over NAPOCOR, NAPOCOR has lost millions of pesos because of embezzlement of company funds by Aboitiz.

### **Criticism on Retaining Military Ranks in PNP**

91SE0279C Cebu City SUN STAR in English  
17 May 91 p 5

[Article by Wilfredo A. Veloso]

[Text] The Philippine National Police is not even six months old and already there are proposals to amend

certain provisions of the law creating it. One of the most irritating of these proposals made by the so-called special oversight committee on the PNP law headed by Interior and Local Governments Secretary Luis Santos is the retention of military ranks by police officers. Just as the public is beginning to get used to identifying PNP officers and men by their new civilian titles.

I have a hunch that this particular proposal stemmed from the fact that most of the members of the so-called special oversight committee are military-oriented. They didn't have to be prodded by former PC officers who are now with PNP to make this irritating proposal. Like the former PC officers, these committee members harbor the mistaken belief that the continued use of military ranks by PNP officers would enable them to command respect and obedience from the populace.

The editorial of MANILA STANDARD on the subject the other day hit the nail smack on the head. The claim of the committee that the civilian population is already accustomed to military ranks and the continued use of these ranks by officers of the new police organization, which is supposed to be purely civilian in character, would command respect from the public was pooh-poohed by the STANDARD editorial which said that this assertion is not supported by evidence.

The editorial stated: "One could just as easily make the equally unsupported claim that the use of such ranks commands fear and therefore compliance in the population. In any case, the proposal to retain military ranks is an outright contradiction of the premise of the PNP law—that the quasi-military Philippine Constabulary would be converted into a civilian police force. Or has the oversight committee forgotten this already?"

The oversight committee's assertion that the use of military ranks by PNP officers would enhance discipline among policemen was refuted by the editorial which pointed out that it is a fact "that neither the old PC nor the present Armed Forces of the Philippines, which both use military titles, are paragons of discipline." It reminded the committee that discipline within an organization "is not achieved by a ranking system but by a set of objectives to which all members are committed, plus a leadership that commands the respect of the members."

The editorial is right in pointing out that it is not the insignia, but the man behind the insignia, that deserves the honor implied in a salute. For making the proposal for the retention of military ranks by PNP officers, the committee, including its chairman, "deserves no more than an empty salute," the editorial concluded. I may add that if the oversight committee succeeds in reviving the military titles for PNP officers, the police force will become a police farce.

A high-ranking PNP public information officer raised a lot of quizzical eyebrows yesterday afternoon when he

talked mostly about sex before a gathering of human rights advocates at the Capitol social hall. "What's eating this guy?" one perplexed participant in the seminar for human rights officers asked loudly as the PNP officer rambled on and on about sex spiced by a plethora of green jokes which had nothing to do with the subject of the seminar. He had to be politely cut short with a reminder that another, more important speaker was waiting for his turn to speak.

### **Military Offensive Results in Killing of NPA's**

*91SE0280A Manila DIYARYO FILIPINO in Tagalog 31 May 91 p 8*

[Article by Johnny Arasga]

[Text] More than 25 members of the New People's Army [NPA] were killed by government troops during the new offensive aimed at driving the rebels out of their bases in northern Luzon.

Yesterday, Brigadier General Orlando Soriano, commander of the 5th Infantry Division of the Philippine Army, stated that the new military offensive started on 4 May in six towns in the provinces of Kalinga-Apayao and Cagayan.

One of those bases attacked is in the controversial Marag Valley, near the town of Luna in Kalinga-Apayao; it is believed to be the base of the northern NPA commander.

Soriano also said that the troops had 34 encounters with the rebels.

More than 25 NPA's and nine soldiers were killed in these encounters, and seven guns were recovered by the military from the rebels, but five of these were taken back by the NPA's.

According to Brigadier General Homer Capulong, commander of the 503rd Infantry Brigade and head of the operation being participated in by more than 900 soldiers, an estimated 500 rebels are engaged in combat in the war zone.

According to Capulong, the Armed Forces of the Philippines had already sent out military, doctors, dentists, and teachers in order to reclaim Marag.

The farmers also accused the government of neglecting Marag for a long time; hence, they had to accept the revolutionary government under the banner of the National Democratic Front.

Meanwhile, yesterday Lieutenant General Lisandro Abadia, chief of the AFP [Armed Forces of the Philippines] commission, stated that the government was ready to study the proposal intended for the Muslim rebels who will surrender their weapons to give them freedom to travel to the religious city of Mecca.

According to Abadia, this plan proposed by a Muslim official is "out of this world," but the military is willing to try all means to end the rebellion in Mindanao.

### **Military Officer Involved in Hold-Up, Bombing**

*91SE0280B Manila DIYARYO FILIPINO in Tagalog 24 May 91 p 8*

[Article by Fer Taboy]

[Text] An active military officer and former soldiers are the brains behind the successive bombings and holdups of armored cars in Metro Manila and the neighboring provinces. This was admitted by the two suspects arrested in the armored van robbery yesterday to the Philippine National Police [PNP]-Criminal Investigation Service Command.

In a report submitted to Director General Cesar P. Nazareno, chief of the PNP, the military captain who is allegedly the brain behind the bombing in Metro Manila and the neighboring provinces was not mentioned.

Those arrested were: Jose Salazar, alias "Joe Samareno," 31, from Sitio Baybay, Catarman, Samar and residing in Fortune 4 Village, Karuhatan, Valenzuela and Carlito Sanchez, 33, of San Vicente, Barangay Carmin, Kalookan City.

The two suspects who were arrested confessed that they are the companions of the armored van holdup men in Metro Manila and the neighboring provinces, and that the person who furnishes them with arms is the alleged military officer.

Among those held up were the Philippine Bank armored van in Baclaran, Paranaque, that was robbed of 1.5 million pesos and the Saint Thomas Security Agency armored van that was robbed of the 61,000 pesos which were supposed to have been deposited in the Allied Bank in Novaliches, Quezon City, in March.

The two arrested suspects added that every time they returned their weapons to the captain, they often heard bombing plans being discussed in the presence of some former soldiers.

### **PNP Provincial Official Killed**

*91SE0251C Manila DIYARYO FILIPINO in Tagalog 23 Apr 91 pp 1, 2*

[Article by Fer Taboy]

[Text] A few days ago, the provincial director of the Philippine National Police (PNP) in Masbate and his two bodyguards were killed in an ambush by members of the New People's Army (NPA).

Three additional men of the said official were seriously wounded when the rebels attacked.

It was reported that Superintendent Rogelio Monforte, SPO3 Jose Bones and Nestor Antonio were ambushed at about 1200 noon in Sitio Lipata, Barangay Dapdap, Uson, Masbate.

Those wounded were identified as SPO4 Cesar Bedillo, PO3 Emilio Carpio, and PO3 Nestor Martinez, all adjutants to the chief of the PNP in Masbate.

During the inspection tour, the victims were riding in the patrol jeep (with the authorities) from the Advance Command Post in Barangay Carmen, Uson, on their way to Masbate PNP headquarters, when the NPA's intercepted the jeep and started shooting.

It was reported that before he was killed, Monforte attended the formal opening of the Advance Command Post (ACP) in Barangay Carmen.

The death of Monforte marks the 42d incident of NPA highway ambushes during the month of April, according to officials.

The NPA's became active in March and in the early part of April in Cagayan Valley, Mindoro Oriental, Masbate and Ilocos Norte (northern Ilocos).

According to the NPA, eight (8) military men have been killed in different attacks.

The NPA's major offensive began on 4 April.

Three men of the PNP and three members of the Citizens Armed Forces Geographical Unit (CAFGU) were killed by the NPA's in Sitio 5, Barangay Bugnay, San Nicolas, Ilocos Norte.

Next came the attack on the 248th PNP company in Mabini, Palanas, Masbate on 6 April, in which two policemen and two CAFGU men died.

On 9 April, the rebels attacked the 215th and 277th PNP companies in Sitio Sigao, Barangay Lisap, Bongabong, Oriental Mindoro, in which assault five policemen and two CAFGU men died. The NPA kidnapped the police commandant, Senior Inspector Enrico Salapong, and five of his men.

Others who were killed:

14 April - an official and five men of the 14th PNP Command in Sitio Culidag, Barangay Hacienda Baggao, Cagayan.

15 April - an official and three PNP's in Sitio Bagasa, San Julian, Abulag, Cagayan.

**NPA Killed Army Personnel in Davao del Norte**  
*91SE0251A Manila DIYARYO FILIPINO in Tagalog 19 Apr 91 p 8*

[Article by F. Taboy]

[Text] Three Army personnel, including two sergeants of the Philippine Army (PA) were killed in a clash with

communist rebels in Monkayo, Davao del Norte a few days ago. Five men were reported wounded.

This was confirmed yesterday in a report received by Director General Cesar P. Nazareno, chief of the Philippine National Police (PNP), forwarded from the regional command.

Killed were Sergeant Alfredo Liguton and Rodolfo Anthony, both assigned to the 40th Infantry Brigade.

The civilian killed by stray bullets while he was leading his carabao, i.e. "water buffalo," to pasture, is still unidentified.

According to the report, at about 0900, the soldiers in Barangay Banlag, Monkayo, were practicing combat maneuvers when about 50 members of the New People's Army (NPA) ambushed them.

Five wounded soldiers are now being treated at the Montivista Hospital. Their names have not been released.

Meanwhile, a captain of a barangay was shot and killed by a member of the Citizen Armed Forces Geographical Unit (CAFGU) in San Mariano, Davao del Norte a few days ago.

In a PNP operation center report, it was confirmed that Kapitán (Captain) Reynaldo Handucan of Barangay Tigbao was drinking with the guards when CAFGU Anastacio Gura arrived and shot him.

Gura fled, taking with him the M-14 rifle that he used to kill Handucan.

**NPA Official Arrested in Bulacan**  
*91SE0251B Manila DIYARYO FILIPINO in Tagalog 19 Apr 91 p 8*

[Article by Fer Taboy]

[Text] Men of the Philippine National Police-Criminal Investigation Service Command (PNP-CISC) arrested a high-ranking official of the communist rebels that operate in Northern Luzon.

This was disclosed yesterday by Chief Superintendent Vicente Vinarao, CISC director, after receiving a report on the arrest of Noel Buenavista, alias "ka Mario."

A few days ago, Noel's hideout in Barangay Longos, Malolos, Bulacan, was raided.

Buenavista is the logistics officer of the Communist Party of the Philippines-New People's Army (CCP-NPA) of District Guerrilla Unit II, Bulacan Province Party Committee (BPPC). Their group operates in northern Luzon.

Buenavista was arrested by the men of the CIS-District 3, under the command of Chief Inspector Oscar Calderon, after a week of surveillance.



On 23 November 1990, a 30,000 peso reward for the capture of Buenavista was offered by the Department of National Defense (DND).

Calderon was informed that Buenavista is the known "brain" behind the violence in some barangays in Malolos. It is believed that he pressures some farmers who refuse to give aid to the communist movement.

The police seized some high-caliber guns and bullets.

### NPA Leaders Arrested in Central Luzon

91SE0255A Manila *DIYARYO FILIPINO* in Tagalog  
2 May 91 p 2

[Reported by Fer Taboy, Louisa Novella, and Dan Ambrocio]

[Text] Eight suspected high-ranking leaders of the Philippine Communist Party-New People's Army (CPP-NPA) in Central Luzon were arrested by the authorities in separate operations in Rizal and Bulacan provinces these past few days.

Meanwhile, Senator Ernesto Maceda called upon Lieutenant General Lisandro Abadia, (an) associate chief of the Armed Forces of the Philippines, to investigate the evidence he used in revealing that the NPA has again gained the upper hand in its fight against the military, if he (Abadia) finds the information that has been disseminated to be doubtful.

According to Maceda, because of Abadia's doubts, he, too, has reservations about confirming Abadia as chief of the AFP Commission on Assignments (CA).

Maceda further stated, "If he (Abadia) doubts my data, then I might also have second thoughts about supporting him for the CA."

A few days ago, the Senator announced that the guerrilla offensives in the various parts of the Archipelago were again getting stronger, and that they had regained the initiative in their guerrilla warfare.

Maceda stated that if Abadia wants to nip the insurrection in the bud, "he must fulfill his promise to send a battalion of Scout Rangers to the mountains."

According to a report by the chief of the Rizal-Philippine National Police (PNP), Superintendent MacArthur Flores, to Director General Cesar Nazareno, the said leader is known as Felisa Timog, aliases "Ka Liza, Ka Linda, and Ka Pina."

Nazareno said that there had been an 800,000 peso reward for the arrest of Timog.

Timog was arrested by the men of the 221st PNP Company after they raided the suspect's home in Barangay Malibago, Talim Island, Cardona, Rizal, around 5:30 A.M.

According to Flores, Timog is the current finance officer of the CPP-NPA Central Luzon Regional Party Committee, and also the editor in chief of the secret publication HIMAGSIK ("Revolution") published in the region.

Flores added that Timog was the former provincial secretary of the CPP-NPA-Bataan, and also the widow of Osmundo Ocampo, the second in command in the military hierarchy for Central Luzon who died in a battle in Bataan in September 1990.

Flores also said that Timog is facing various homicide charges that are pending in the Municipal Trial Court of Morong, Bataan.

Flores further stipulated that the suspect (Timog) is presently being incarcerated in the Department of Regional Command III in Camp Olivas in Pampanga.

According to Senior Inspector Sahiron Salim, chief of the 171st PNP Company, the other seven suspected leaders arrested in Bulacan are commandants of the CPP-NPA in the province.

According to Salim, the suspects are known as: Lorenzo Tiongson, alias "Ka Vencio," 44, of Barangay Iba Este, Calumpit, Bulacan; Benedicto Santos, 30 of Barangay San Juan, Malolos; Juan Ganelo, 49, of Barangay Longos, Malolos; Romualdo Constantino, 30, of Barangay San Pablo, Malolos; Narciso Castro, 38, of Barangay Manatal, Pandi; and Manolo Reyes, 23, of Marulas, Valenzuela.

Salim stated that Tiongson is the suspected leader of the propaganda and organization committee of the Maria Llorente Brigade based in Bocaue. Constantino is the known leader of an NPA band operating in the coastal towns of Bulacan and the husband of the Amazon (tomboy) "Ka May," who was arrested in Malolos a few days ago, after giving birth to their first-born infant.

The other five who were arrested are believed to be members of the NPA Central District Committee of Bulacan.

Meanwhile, one soldier and three members of the Citizens' Armed Force Geographical Units (CAFGU) were killed in an ambush by a group of NPA's in Cagayan this Monday.

The dead soldier was identified as Corporal Pepito Velasco of the Philippine Army (POA).

According to the reports, Velasco's group was ambushed by an estimated 50 guerrillas in Barangay Abariongan Ruar, Santo Nino, around 1100.

## MILITARY

### PRC Attempts To Sell Submarines

91WC0119B Bangkok LAK THAI in Thai  
20-26 May 91 pp 11, 12

["M.C. Wan Hotline" Column]

[Excerpt] [passage omitted] Chinese Submarines

There are reports from Chinese armaments circles that China has tried hard to get the Royal Thai Navy [RTN] to buy submarines from China. It has offered to sell the Romeo class submarine, which is a Soviet type, to Thailand. There was an unusual proposal and that was that if Thai officials were not certain of the capabilities of the Chinese submarine, they could try out the real thing - they could borrow some to try them out. If they were interested in buying, they could use them as long as they wanted. According to these reports Chinese officials proposed that Thailand take three submarines to use. Our source said that Chinese officials would not hesitate to provide up to 10 submarines for Thailand to use at no cost because the Chinese Navy had 142 Romeo class submarines of which most were tied up at naval bases. Lending the submarines to the RTN would speed up the decision about submarines, and if a decision were reached to buy submarines, they would have to buy Chinese submarines because they were already using them. Chinese officials may have already received information that Thailand was considering buying a European submarine, in particular a German submarine which was "very powerful." They thus eliminated the problem of Thai officials looking at the German submarine by providing submarines to use. Our source said that China had used these sales techniques before with Thailand, for example with the 130 mm artillery. China provided the artillery division with the artillery to use, and in the end the sale was made. But the RTA did not buy it; the RTN bought some of the 130 mm artillery for use by the Anti-aircraft Command Unit and for coastal defense. China has also provided 30 rockets mounted on tracked vehicles for Thailand to use. At present these are with the Second Infantry Division and will be "sold" soon. [passage omitted]

### Navy Sources on PRC Ship Order

91WC0119A Bangkok LAK THAI in Thai 3-9 Jun 91  
p 24

[Unattributed report: "The Navy Pushes for Chinese Ships, 'Weapons' Important"]

[Text] The RL. Chaophraya was the first of the frigates ordered from China to reach our waters. The second, the RL. Bangpakong, will follow in another six months. The RL. Kraburi and the RL. Sayaboury will then follow at six month intervals. These are frigates in the "Chaophraya" class inasmuch as the RL. Chaophraya was the first in the series.

On 29 May the Royal Thai Navy [RTN] arranged for the mass media to look at the ship and go out in it. They did this because of rumors that this frigate which was ordered from China did not meet expectations. To put it simply, it "did not meet specs," and there were problems about many details on the ship. RTN officials therefore had to quickly demonstrate the truth that the ship was perfect and met specs completely.

### Where It Was Made

The RL. Chaophraya was accepted in Shanghai. Sailors under the command of Captain Sommai Prakansamut brought the ship from Shanghai to Thailand. There has been no ceremony to receive the ship, and it has not been put into service immediately. It is still being put through various trials by a commission. This caused people to think that the ship might have problems. In addition there was a report in a magazine of foreign weapons about the unusual configuration of the frigate which Thailand ordered from China - this also caused people to think that the ship might have a problem.

RTN officials pointed out that this first frigate from China, the RL. Chaophraya, was not accepted the way other ships were. Usually the RTN sent the sailors assigned to the ship to the shipyard where they trained with the ship and the weapons until they are proficient. Then they returned with the ship to their station immediately. But for this frigate from China, RTN officials sent the personnel assigned to the ship to China for a short period of training sufficient only to be able to bring the ship back to Thailand.

The rest of the training was done in Thailand. China sent officials here to do the training. This was done to avoid the great expense of having a crew be outside of China for many months. When the ship arrived, there was weapons training and training with the ship in the Gulf of Thailand. The ship still has not had the preparation for regular service that other ships ordered from countries other than China have had.

### Not a Chiang Hu

Ordering this frigate from China was the idea of RTN. The RTN saw that ordering the ship from China would reduce the price a great deal. The price of a ship from China was half that of a ship from Europe. And Chinese officials made available a ship in the "Chiang Hu" class, which the Egyptian Navy had already purchased. For Thailand this "Chiang Hu" class ship was specially made—it was made in the shape of a "Chiang Hu", but the various details inside the ship were designed by the RTN and built by China. Therefore this ship is not an authentic "Chiang Hu" because it was built according to the designs and requirements of the RTN. For example the arrangement of the various rooms in the ship and the increased size of the rear deck to allow a helicopter to land were Thai designs which China built according to Thai specifications in every detail. This was the reason

for the report in the magazine of foreign weapons that the ship was heavier than normal for a "Chiang Hu."

### Weapons Systems

The RL Chaophraya was the first frigate to come from China, and the weapons systems were all Chinese. In particular with regard to its surface-to-surface missile for use against surface ships, the "180", it was asked how much we could trust its quality. Our source said that there were still those who did not trust Chinese weapons systems because they were still attached to the weapons systems of Europe and the United States.

Our source said that European officials tried to point out that RTN officials had made a mistake in ordering the frigate from China with Chinese weapons systems. There was also a report that China had purchased the right to produce the naval cannon for these ships from Europe for use in the Chinese Navy only. When China provided them for our ships, there was a problem. A naval officer said, "there is no problem because it is a Chinese ship and China has said that it has dealt with these production rights."

In any case regarding the frigates ordered from China, we have received the first, the RL Chaophraya, and there are three more ships of this class to follow. RTN officials will be able to find any deficiencies. The decision was in no way a mistake.

"It is important that weapons systems work well and that we have confidence in their effectiveness because if there is another war, it will involve shooting at ships we cannot see. Therefore we stress the importance of the weapons systems. Weapons for the future ships will be purchased from Europe to be installed by China," a senior RTN officer told LAK THAI.

LAK THAI will have a report in its next edition about the details of the frigate from China. There are many interesting things about this ship.

### Military Computer Encryption Device

91WC0119C Bangkok LAK THAI in Thai  
20-26 May 91 pp 12, 13

[Text] During the demonstration of the combat capabilities of the Stingray tank at Khon Kaen recently, LAK THAI learned of some inventions of the military. These

were invented by the 22nd Signal Battalion of the 2d Army Region. They included a computerized teleprinter, a voice encryption device, a detonator which used radio waves and a device for linking radio transmissions with wire transmissions. These were "outstanding" achievements. As for the details of these inventions, the 22d Signal Battalion connected a computer to a military communications system to make the computerized teleprinter. They expanded and modified the circuitry [of the computer] and used it with communications equipment already on hand in order to make a device which encrypted and decrypted automatically. This reduced the amount of work for the encryption personnel in maintaining secure communications for the military, and made the work more efficient. Information could be received and sent automatically. The encryption prevented the interception and analysis of messages. They were able to send eight messages at a time. The device could carry 100 telephone numbers, it could change the cipher key every day for 10 years without repetition, and it could check and file 200 transmissions per month.

The voice encryption device was for use with the AN/PRC-25 radio. It changed the sound frequency of normal voice transmissions so that the other side could not intercept our messages. It could use 100 different encryption keys, and the keys could be changed quietly. Even if the operator of a similar device did not know the key, the device could make the voice transmission understandable using the principle of changing the sound frequency of the voice transmission. This was controlled by a small built-in micro-computer. The way the sound frequency of the voice transmission was changed made the original voice transmission different each time it passed through the circuitry even if the same thing were repeated.

The detonator which used radio waves was a labor saving device which could be left in the ground for about two weeks. It used seven small batteries.

The device for linking radio transmissions with wire transmissions was used to allow hand-held radios to link up with a telephone by means of a connection device [on the radio] which controlled the link with the telephone and the dialing of outgoing calls. [The device for linking transmissions] also controlled the radio system and the radio network and received the voice signals via radio waves from the hand-held radios with the connection device and from the hand-held radios used generally by increasing the DTMF. It enabled the radio to send signals to control dialing, answering and hanging up.

## POLITICAL

### **Ho Chi Minh City Holds 1st Round Party Congress**

912E0188A *Ho Chi Minh City TUOI TRE*  
in Vietnamese 4 May 91 p 1

[Article by H.D.]

[Text] The 1st round of the fifth congress of municipal party organization delegates officially convened on the morning of 4 May. Of the 494 official delegates representing more than 77,000 party members in the municipal party organization, 79 (16.05 percent) are women, three are workers who are directly involved in production, four are party members of Chinese ancestry, and 47 are carrying on activities in subwards and villages.

There are 69 delegates (14.02 percent) who are between the ages of 31 and 40, 168 (34.15 percent) who are between the ages of 41 and 50, 188 (38.21 percent) who are between the ages of 51 and 60, and 65 (13.21 percent) who are over the age of 61. The oldest delegate is Duong Quang Dong, who is 86 years old, and the youngest is Nguyen Van Trai, the secretary of Doan Ba Ward, who is 31 years old. The average age of the delegates is 51.1.

A total of 176 delegates (35.77 percent) are college graduates, 50 have post-graduate degrees, and four are professors and scholars. Sixty-seven delegates (13.62 percent) have a cultural standard of Level 2 or lower.

The congress is scheduled to last three days (from 4 May to 6 May). The delegates will listen to reports summarizing the ideas of the party organization congresses above the primary level and contribute ideas to the draft documents of the seventh congress. During this congress, the congress will elect delegates to attend the seventh national party congress.

### **Delegates To Attend National Party Congress**

912E0188B *Ho Chi Minh City TUOI TRE*  
in Vietnamese 9 May 91 pp 1, 7

[Article by H.D.]

[Text] After more than three days of work, on 7 May 1991 the 1st round of the fifth congress of municipal party organization delegates concluded. More than 200 people expressed their views in panel discussions, and more than 60 papers (19 of which were presented at the conference) contributed important ideas to the draft documents of the Seventh Congress. Most of the people agreed that the success of the Vietnamese revolution in the national democratic revolution represents a great victory. But during the socialist stage of the revolution, along with the important successes, the party has made many mistakes and exhibited serious shortcomings. The majority affirmed their adherence to the socialist path and said that in the present complex situation, the party must keep the present name of the party and country.

The congress unanimously agreed that with respect to the economic structure, there must be a number of leading sectors such as agriculture and gas and oil. In particular, the infrastructure must be built up so that it can serve as a strong point and motive force to stimulate economic growth. Some people said that there should be an economic administrative mechanism to exploit the strengths of the key areas. The delegates also said that in the transitional period, the state economy should play a guiding role and control the key sectors.

The majority said that the program should have a section on the human strategy and on the root problem, education and training. The congress affirmed the correctness of the "party leads, the state manages, and the people serve as masters" mechanism. The congress proposed that the state have only two echelons, the central echelon and the provincial-municipal echelon. The wards, districts, subwards, and villages would perform only administrative management functions. The function of directly guiding commercial production must be separated from the management function of the administrative echelons. The congress discussed the concerns about the decline in the quality of party members. Some said that the key points in the party should be inspected in order to expel party members who have committed violations. The majority proposed expanding democracy in the party even more and said that only if there is democracy in the party can there be democracy in society.

On the morning of 7 May, the congress set aside much time to listen to a speech by Vo Van Kiet, a member of the Politburo. He analyzed our domestic situation and the international situation and affirmed that if the party makes a mistake, it must correct that mistake. But our firm position with respect to socialism cannot be changed. On behalf of the chairmen of the congress, Nguyen Vo Danh, the deputy secretary of the Municipal CPV [Communist Party of Vietnam] Committee, acknowledged the ideas of Vo Van Kiet and stated that the delegates had completed the tasks of the 1st round of the fifth congress of municipal party organization delegates.

Forty-four regular delegates and four alternate delegates were elected to attend the seventh national party congress.

### **Central Economic Department Discusses Party Documents**

912E0187A *Hanoi NHAN DAN* in Vietnamese  
26 Apr 91 p 3

[Article by Hong Khanh]

[Text] The 1st round of the central economic department congress of party organization delegates was held from 17-20 April 1991. Nguyen Thanh Binh, a member of the Politburo and secretary of the party Central Committee, attended almost all of the discussions and spoke at the congress.

As many people had predicted, the congress contributed very important ideas to the draft documents of the seventh party congress. This was because almost 300 delegates attended this congress on behalf of more than 10,000 party members in leading organizations and important spheres of the national economy—from research organizations, integrated agencies, and state-management management, economic information, and technical organizations to commercial production management organizations, general corporations, and large national-level enterprises. Many delegates were professors, people with PhD and MA degrees, and middle- and high-level cadres. A number were people who have directly participated on subcommittees to draft documents. With these forces and with such intellectual potential, after the department party committee released its short seven-point report to which the 19 primary level party organizations subordinate to the department had contributed ideas, the atmosphere at the congress clearly manifested a concept of responsibility. Those at the congress began to discuss things more and more frankly and openly, and there was a struggle to clarify a number of points and different views. Everyone concentrated on the country's key problems with which the entire party and all the people are very concerned. In just seven sessions (including voting), almost 50 people spoke at the congress. If the papers submitted to the presiding officers are included, one out of every five delegates contributed ideas. That is a manifestation of democracy in the party.

The congress debated and clarified a number of different views and ideas:

In evaluating the situation and evaluating the causes, experiences, and major lessons concerning the socialist path, some delegates said that the fourth and fifth party congresses put forth erroneous lines that had to be corrected. It was not until the sixth party congress that a correct line was put forth. Many delegates analyzed this idea and said that that idea is too extreme, that is lacks objectivity, that it is too negative, and that it does not see the continuity. Recently, in implementing the lines, many mistakes have been made, and the party has openly acknowledge this. But that is no reason to do away with everything. Renovation does not mean replacing everything. Our revolution's path to socialism was an historical choice made by President Ho and the party right after the party was founded and was included in the first political thesis in 1930. This is a scientific truth, and it is the ideal of all the generations that have made sacrifices and struggled for national democracy and socialism. Later generations are obligated to continue and exploit this. The present documents simply reaffirm this. This affirmation is essential. It is the basis for maintaining political stability and the precondition for continuing all-round renovation.

Faced with the situation in which there is a budget deficit, prices are skyrocketing, the lives of the laborers are filled with difficulties, and corruption and smuggling are rampant, some delegates said that because of the

mistakes in the state enterprise policies, the state enterprises are harming the national economy. Citing concrete data and the actual activities of their sector and many other units in blocking inflation and lowering the price fever, many delegates affirmed the need to have a state-operated economy. They disagreed with the view that the "state enterprises are ruining the economy." The weaknesses and unprofitable operations of a number of state enterprises in the past period are due to having inappropriate mechanisms and policies. This also stems from the fact that the standards and capabilities of the cadres are not high enough and because a number of cadres are of poor quality. This does not stem from the nature of the state-operated economy. Many delegates proposed policies and measures and clarified the relationship between ownership and use rights, between organization and management, between plans and markets, and between the party leads and the state manages in order to put the state-operated economy in its proper place in a multifaceted commodity economy that operates based on a market mechanism and that is managed by the state. Many delegates said that the documents should not use many adjectives such as "activist," "key," "basic," and "guiding" but that it should be determined that the "state economy holds an important position in the key sectors and sets the direction for the economy in advancing to socialism." It isn't necessary for the state economy to account for a large portion of the multifaceted economy, but the state economy must produce results in commercial production.

As for renovating the political system, during the discussion, some people said that "the class struggle and dictatorship of the proletariat should be abandoned." These people argued that since ancient times, our nation has resisted foreign aggression and been victorious many times without having class struggle as the motive force. But many other delegates disagreed with this view, saying that the class struggle and dictatorship of the proletariat cannot be abandoned. Even if we wanted to abandon these, we could not do so. We have the "lost dream" lessons of a number of East European countries, and our enemies are looking for ways to destroy our revolution and waiting for our party and people to deviate from the socialist path in order to eliminate the achievements that have been scored in more than 60 years of following the path chosen by President Ho. Analyzing things theoretically and citing actual examples, many delegates affirmed that in the face of the present situation, doing away with the class struggle and the dictatorship of the proletariat would be wrong and mean a loss of vigilance. Many delegates agreed that the contents of the class struggle and dictatorship of the proletariat contained in the documents are not firm and that attention must be given to both organization and education.

In discussing these problems, some people said that recently, a number of newspapers and journals have printed the analyses, criticisms, and contrary ideas and views of a number of people "indiscriminately, which

has generated confusion, reduced the prestige of the party, and restricted people in manifesting democracy." If there are arguments, people who have high theoretical standards and who enjoy prestige in society should discuss these things. Few delegates agreed with this idea. They said that if there are people who hold opposing views, they have the right to express those views, and we have the right to listen to them. If only people with high theoretical standards and great prestige in society have the right to express their views and discuss things, does that mean that other party members and the masses can't discuss things in the mass media? That would limit democracy. That would not bring the truth to light or improve understanding. That would not guide public opinion, and no one would be responsible for providing leadership. We are not used to public debates in the press. But actually, that is necessary and ordinary. There is nothing that needs to be concealed. A number of the articles published recently have not been persuasive. They have been too rigid and have not analyzed things scientifically, but that is no reason to say that this is "limiting democracy and lowering the prestige of the party." Some delegates harshly criticized a number of phenomena in the party, such as "keeping silent" when mistakes are made in economic and social activities and refusing to bear the difficulties involved in doing research and improving understanding. As a result, they are confused when confronted by the distorted arguments of the enemy or the erroneous viewpoints of a number of opportunists. Remaining silent means that you have disappointed yourself. Many people expressed views on renovating and reorganizing the party, particularly cadre organization and ideological work. To give a few examples, many delegates said that the CPV [Communist Party of Vietnam] Central Committee, seventh term, should have approximately 70 members only. There should not be a large number, and this does not depend on the structure. They said that this is the only way to concentrate the intelligence of the entire party and that the leadership results will be better. In the legislative organizations, there can be many party members. But the various echelon administrative organizations do not have to have party members. Policies of appointing and transferring people should be implemented. A locality should not use people from that locality, which could easily lead to trouble because of their family and local relationships. It would be difficult for them to exert centralized control based on the policies formulated by the central echelon.

As for the results of this congress, according to the observations of many of those who attended the congress, a start was made in manifesting democracy and raising intelligence. Even if the chairmen "steered" the major problems that needed to be discussed and debated, the intelligence of many of the delegates was manifested better.

All of the opinions expressed at the congress, including the ideas contributed to the documents by the more than 1,100 party chapters in the department, were entrusted

to the 36 regular delegates elected (on one vote) by the Central Economic Department Congress of Delegates to attend the seventh party congress.

## MILITARY

### Defense Ministry Reports on Economic Activities

912E0199B Hanoi *QUAN DOI NHAN DAN*  
in Vietnamese 12 May 91 p 1

[Article by Khanh Le]

[Text] On the afternoon of 10 May, the Ministry of Foreign Affairs called in foreign reporters to listen to a statement by Lieutenant General Phan Thu, the director of the Economics and Technology General Department, on the military's participation in economic construction. Many reporters from foreign news agencies, newspapers, and television stations and embassy press attaches stationed in Hanoi attended.

Lt. Gen. Phan Thu said that during the period 1976-1986, the Army contributed greatly to building the economy. Many corps [binh doan] switched to building state farms and forests, building hydroelectric projects and water conservancy projects, exploring for oil and gas, and building communications routes. Many bases were put in charge of economic sectors, and many new economic zones and new population zones were formed. Since 1987, in implementing the resolution of the sixth party congress, the Army's economic work has been expanded to many units. A number of general corporations, corporations, and enterprises have been established. They are juristic entities and can carry on joint operations with domestic and foreign economic organizations. These economic bases of the Army engage in production and business activities just like state enterprises.

In the Army today, there are main types of economic forms: Specialized economic units that practice economic accounting and that operate in accord with the laws of the state and the stipulations of the Ministry of National Defense and regular Army units that engage in production in order to improve living conditions under the management of unit commanders. To date, the Army has almost 60 organizations engaged in economic activities that have been established in the form of general corporations, corporations, and scientific and production federations and that have been assigned to more 200 primary level enterprises. The Army units engaged in economic activities have built many new economic zones in important areas. For example, they have built coffee, rubber, and tea zones in the Central Highlands and eastern Nam Bo, a paper raw materials zone in Ha Tuyen, and coastal dikes in Con Thoi. Many units have participated in building important state projects such as the Hoa Binh hydroelectric project, the Pha Lai thermoelectric project, the Lao Cai apatite mine, the Vung Tau oil and gas project, and so on. The national defense industry has produced much equipment to support the

country's large economic projects. Many of these products are of high quality, and customers have confidence in them.

Lt. Gen. Phan Thu affirmed that the Army's participation in economic construction is a correct and necessary policy of the party and state, because the Army has many technical sectors and ranks of scientific and technical cadres, skilled workers, and disciplined and highly productive laborers.

Lt. Gen. Phan Thu answered many questions asked by foreign reporters concerning the results of the Army's economic activities.

After that, the foreign reporters went to see a number of products, consumer goods, and export goods produced by military units that were on display at the Military Museum.

#### **Mai Chi Tho Interviewed on Public Security Forces**

912E0199A Hanoi QUAN DOI NHAN DAN THU BAY in Vietnamese 4 May 91 p 2

[Interview with Senior General Mai Chi Tho, a member of the Politburo and minister of interior, by Hoang Huan and Xuan Yem; place and date not given]

[Text] [editor's note] In our country's renovation movement, together with the People's Army, the Vietnam People's Public Security Forces have played a very important role in protecting the fruits of the revolution, defending the people, the party, and the fatherland, and maintaining political security and social order. In order to gain a deeper understanding of this problem, QUAN DOI NHAN DAN interviewed Senior General Mai Chi Tho, a member of the Politburo and the minister of interior. The following are the questions posed and his answers: [end editor's note]

[Hoang Huan and Xuan Yem] Would you tell us what measures the public security forces have implemented in order to renovate activities in all respects in accord with the resolution of the Sixth National CPV [Communist Party of Vietnam] Congress and to promptly and effectively support the work of maintaining the country's security?

[Tho] In the past period, the world political situation has undergone profound changes. The socialist countries are passing through an all-round crisis. The imperialists and reactionary forces are exploiting this crisis with the aim of carrying out peaceful changes to eliminate socialism and restore capitalism throughout the world. The enemy forces still regard Vietnam as one of the few remaining outposts of socialism and so they are concentrating on destroying us many fronts. The socioeconomic situation in Vietnam is very difficult, and this is adding to the complexity of the security situation. More than ever before, maintaining national security, which includes political security, economic security, cultural security,

and social security, has become a very important task of the entire party, the entire Army, and all the people.

In implementing the renovation viewpoint of the sixth congress and the Politburo resolution, maintaining political security has gradually been reorganized to support the requirements of expanding the multi-faceted economy and renovating the economic management mechanism and to support building and manifesting socialist democracy and expanding foreign relations. The people's public security forces, together with the people's Army, are resolutely suppressing the aggressive activities of spies and commandos and the psychological warfare operations and destructive activities of the enemy forces and opposing the "peaceful change" plot. Adhering to the concept of the revolutionary offensive, the people's public security forces have affirmed that regardless of the situation, they must constantly attack violators, from those who commit criminal violations to those who commit political and economic crimes, in order to launch the revolutionary power of the masses to maintain political and ideological stability and create the conditions for gradually stabilizing the economy and society. In attacking crime, they have constantly viewed construction and defense as basic. The view is that the more you hit the stronger you will become and the more enthusiastic the people, the greater the internal solidarity. The motto of the people's security forces is to coordinate dictatorship with humanism, coordinate suppression with education and reform, and coordinate meting out harsh punishments with showing mercy. We pursue and arrest people and appeal to people to confess and use criminals who have repented to prevent crime. We do not carry on mass suppression campaigns but concentrate on the chief culprits and those who pose the greatest danger in the various classes of professional targets. We focus on those who carry on organized criminal activities and on armed criminals in the key localities. Today, the public security forces are concentrating on the economic criminals along with suppressing criminal and political violations.

During the past five years, we have launched seven mass movements to maintain the security of the fatherland. Each time, we have used more and more varied contents and forms. The striking thing is that all of the mass movements launched to attack crime and implement Directive 135/HDBT in the provinces, cities, special zones, wards, districts, subwards, and villages have been closely guided by the party committee echelons and authorities under the form of 135 guidance committees, and creative strength has been manifested. There has been a mass movement to educate and reform criminals at the primary level, a movement to encourage criminals to confess, a movement to get people to file reports, a movement to educate and find jobs for youths and for criminals who have been released from jail, and a movement to have public security forces participate in social work and help the families of war dead, families that lack manpower, poor people, and so on. During the past two years, 10,000 criminals have confessed on their



own. That includes people who have committed economic and political crimes and many people who have committed serious crimes such as robbery and murder. The public security forces have learned from the revolutionary movements of the masses. The public security cadres and warriors are now closer to the people, and the people cherish them more than before.

It can be said that the results of the all-round renovation of public security activities in the past years have effectively supported the great solidarity policy of "increasing the number of friends and reducing the number of enemies" of the party and President Ho.

[Hoang Huan and Xuan Yem] In a number of places in the world today, people are propagandizing the theory of "non-politicalization of the Armed Forces," "neutral public security forces," and "non-political public security forces." What is your view on this?

[Tho] The Vietnamese people understand and have "experienced" the "neutrality" and "non-politics" of invading armies, the French security service, Japanese police, intelligence services, and the American CIA. The theory of "non-politicalization of the Armed Force" and "non-politicalization of the security forces" is just a trick aimed at separating the people's security forces and people's Army from the Communist Party and the people.

We will continue to act contrary to that deceptive theory and continue to consolidate and strengthen the leadership of the Communist Party of Vietnam with respect to the people's Army and the people's security forces. The people's public security forces are armed combat forces. This is a political unit. It is also an executive organization. We must maintain unified command from top to bottom with respect to the political, organization, and occupational aspects.

[Hoang Huan and Xuan Yem] You recently returned from a trip to Thailand. What is the outlook for cooperation between our Ministry of Interior and countries outside the socialist system? When will our country participate in Interpol?

[Tho] Recently, the Ministry of Interior sent me to Thailand to attend the annual Southeast Asian Weapons and Information Means Exhibit (ADSEC90) that was organized by Thailand. Interior ministers and leading policemen from many Southeast Asian countries attended this exhibit. The Thai police sector has scored many interesting achievements and has much experience. As for science and technology and criminal science, we need to expand cooperative research with other countries. As for Thailand, this is the first time that they have dealt with the Vietnamese Ministry of Interior. We welcome this friendship. We are prepared to cooperate with them on the basis of having both side benefit. However, this depends more on them than on us, because armed Vietnamese reactionaries still have bases

in Thailand. These reactionaries are still looking for a way to destroy Vietnam even though they have suffered many defeats.

As for participating in Interpol, Vietnam's Ministry of Interior is doing studies and preparing the necessary aspects in order to participate in this organization as soon as possible.

On behalf of the people's public security forces, I would like to take this opportunity to say "fight and be resolved to win" to the Vietnam People's Army and the readers of QUAN DOI NHAN DAN.

[Hoang Huan and Xuan Yem] Thank you, Mr. Minister.

### Defense, Development in Central Highlands

912E0180B Hanoi TAP CHI QUOC PHONG TOAN DAN in Vietnamese Feb 91 pp 43-45, 37

[Article by General Phan Hoan]

[Excerpt] [passage omitted] For more than 15 years after liberation and with the attention of the party, state, and in particular, the leadership and guidance of the party committee echelons and local authorities, the provinces in the central highlands such as Gia Lai-Kon Tum, Dac Lac, and Lam Dong have gradually developed in all respects on the economic, cultural, social, and security and national defense fronts. This has been particularly true during the years in which they have implemented Politburo Directive 22 on development of the mountain areas and gained a thorough understanding of the basic contents on Resolution 02 on national defense and security by which to develop the central highlands. Because of this, the appearance of the central highlands in many places has changed greatly. Many population centers, new economic zones, state farms and forests, and enterprises have sprung up. The huge rubber, coffee, and mulberry zones on the high plateaus hold great promise. The central highlands have made a great contribution in the exploitation of our abundant and varied natural resources for export. These include various types of industrial crops, valuable types of timber, various types of pharmaceutical products, and rare animals. As for security and national defense, many positive measures have been implemented in educating and mobilizing the masses, developing the Armed Forces, and developing an all-people's national defense and people's war capabilities to defeat the war of aggression waged by the enemy along our southwestern border. Moreover, the FULRO [Front Unifie Liberation Des Races Opprimes] problem has been basically solved.

However, it must be realized that in the central highlands, development has not been even, there are still a number of limitations, and things have been slow in a number of spheres. In particular, development has not been even among the regions and ethnic minority groups. The economic and social situation in a number of localities is still very poor. There is a lack of schools, the public health network is very weak, medicines are



scarce, and the lives of the people in many areas are still very difficult. The organization and regulation of circulation and distribution is not good, and this has not allowed people to buy and sell. In many localities in former revolutionary base areas, people are saying: "In the past, the revolutionaries and people all went barefoot. But today, the revolutionaries ride in vehicles and live in tiled houses."

This is a very deep problem. With a great sense of responsibility, we must ponder the problem and look for ways to overcome it so that the enemy cannot exploit it and launch a counterattack.

In the "Draft Strategy on Economic and Social Stabilization and Development to the Year 2000," the party clearly pointed out that "developing the mountain areas is the task of all tribesmen and the country as a whole. The state must provide investment funds to expand communications and transportation, develop energy, protect the environment, and develop the social infrastructure, settle the nomads, support education and training for ethnic minority cadres, and send excellent cadres to provide guidance and help. At the same time, favorable tax policies and regulatory rates must be implemented for local budgets. Policies must be implemented on credits, use of foreign capital, and wages and compensation. There must be policies protecting the primary products of the mountain areas and policies that will ensure the necessities sent from the lowlands." With respect to the central highlands, the "Draft Strategy" stresses that "the central highlands, which have roads to the coast, to southern Laos, and northeastern Cambodia, is an area with the great potential to link the economies of the three Indochinese countries." It also points out specific ways to develop the economy: "The central highlands must expand hydro-electricity and mined bauxite."

Addressing the problems mentioned above, Military Region 5 organized a conference in November 1990 for localities and sectors in the three central highlands provinces to discuss development of the highlands and solutions to the FULRO problem. Many people contributed ideas and said that a pressing task is to move the central highlands forward in accordance with its position and strategic importance in the new stage. With the help of Military Region 5 and through their own efforts, central highlands provinces must overcome the difficulties and invest even more. At the same time, industrial organizations, state farms and forests, enterprises, military units, and sectors at the central level should share the responsibility for developing the highlands so that it will prosper economically and socially and will be strong on the security and national defense fronts. The key to solving the problems is to implement the national policies well, mobilize the masses in developing a strong political base and controlling the villages, develop and stabilize things in the settled areas and new economic zones based on an agro-forestry-industrial model, implement the three economic programs, and improve the material, cultural, and spiritual lives of the people in the

central highlands in general and the tribesmen in particular. Development of the economy must go hand in hand with protection of the environment, and exploitation must go hand in hand with creating and renewing things.

As for national defense and security, the people must be educated, and their vigilance and awareness must be elevated. The psychological propaganda of the enemy and their plots to distort things and cause divisions must be smashed. The underground bases of FULRO in the villages must be exposed, and exiles must be prevented from entering the country and developing bases in a number of remote mountain areas. Stability and the people's confidence in the party and revolution at the bases must be solidified. Members of FULRO, spies, commandos, and those who encroach on our borders must be discovered, pursued, and captured. Efforts must be concentrated on developing strength at the bases in a concrete and practical way. Formulating general plans and policies and doing things only "half way" must be avoided. There must be specific measures to organize and implement things. All tasks in each locality must be completed. The coordinated activities of the localities, sectors, and mass organizations must be promoted. Conflicts between tribesmen and ethnic Vietnamese, and among villages, state farms, forests, enterprises, and new economic zones must be resolved. Resolving the conflicts will go hand in hand with building solidarity among the various peoples.

Corporations, enterprises, state farms and forests, and military units in the central highlands must immediately coordinate things with the localities in order to designate zones of responsibility, take responsibility for looking after things in the villages, bring in science, technology, and culture, participate in the militia and self-defense movements, build a strong village administration, and train the ranks of ethnic minority cadres.

Developing the central highlands so that it is economically and socially prosperous, and strong in security and national defense is the task of the entire country and the responsibility of the provinces in Military Region 5, particularly the provinces in the central highlands, with help from organizations and units in this area. With this integrated strength, the central highlands in the coming period will certainly grow stronger and stronger, and measure up to its great economic and national defense potential through the implementation of Program 48C on "Building a Scientific Base and Developing the Economy and Society of the Central Highlands," and with the help of the United Nations Development Program, in conjunction with Vietnam's plans for overcoming the difficulties in the mountain areas. The central highlands will hold a strategic position in developing a rich and strong socialist Vietnam.

#### **Army's Task in Economic Construction**

912E0180A Hanoi TAP CHI QUOC PHONG TOAN  
DAN in Vietnamese Feb 91 pp 38-42

[Article by Lieutenant General, Professor Phan Thu]

[Text] Since ancient times, with a concept of "having a strong Army" and "using agriculture to serve as the root

in maintaining the country," our forefathers have used the Army to build the national economy by implementing a policy of "using soldiers in agriculture." During peacetime, the people have taken turns serving as soldiers, and soldiers have in turn returned home to work the fields. Thanks to this, the state has reduced the cost of maintaining the Army and still managed to build a strong Army to protect our national independence and sovereignty.

In our era, using many different forms, many countries in the world have mobilized troops to serve as the activist forces in opening up new areas, mining valuable metals, and building communications roads and oil and gas pipelines through difficult and remote terrain. This has linked the economy with national defense and enabled the national defense industry to participate in producing economic goods.

Inheriting this national tradition and starting from the nature and traditions of our Army—a fighting, working, and producing Army—the party and state have regarded the Army not just as an instrument of violence to liberate and defend the fatherland but also as an assault force in mobilizing the masses and building the economy.

Ho Chi Minh taught: "First, we must build a strong and combat ready Army in order to maintain peace and defend the country. Second, it must actively participate in production in order to contribute to building the economy.

"These two tasks are very important, and they are closely related to each other." [Footnote 1] [Ho Chi Minh, "On Party and Political Work in the People's Armed Forces," QUAN DOI NHAN DAN, Hanoi, 1990, page 24]

For the past several decades, our Army has striven to act in accord with the teaching of President Ho. During the resistance against the French colonialists, the Army actively participated in production, and together with the entire people, overcame the difficulties of daily life to defeat the enemy. After the north was liberated, along with training and preparing for combat, the Army was given the task of participating in building economic projects such as the Bac-Hung-Hai water conservancy project and the Thai Nguyen Iron and Steel Complex. It also reclaimed wasteland and built hundreds of state farms and forests in strategic areas and built a material base for national defense. During the resistance against America for national salvation, the Army fought heroically and strove to become self-sufficient.

After the south was completely liberated and the country concentrated on building the economy and advancing to socialism, the party and state mobilized a large military force to participate in building the economy, regarding productive labor and economic construction as very important tasks of the Army.

In the 10 year period from 1976 to 1986, because of the requirements of the combat tasks, the amount of time that the Army spent on economic tasks varied greatly. This lack of stability affected the quality and results of the Army's economic work. However, during this period, the Army made a great contribution to building our country's economy, and this contribution was of great strategic significance. The Sixth National Congress of Delegates (December 1986) again affirmed that "based on fulfilling the combat tasks and maintaining combat readiness and national defense production, some military forces and some of the defense industry capabilities have been mobilized for economic construction. [Footnote 2] [Minutes of the Sixth National Congress of Delegates, Su That Publishing House, Hanoi, 1987, page 39]

With the aim of concretizing the party's policy, the Council of Ministers issued Directive 46/CT-HDBT (March 1989) on the national defense and economic tasks of the Army and Decree 22/HDBT on the establishment of the Defense Industry and Economic General Department in order to help the Ministry of Defense carry out the state's management functions with respect to the defense production and economic units of the Army. It also issued decrees 21/HDBT and 58/HDBT on the establishment of general corporations, corporations, and science and production federations in the Army. The Central Military Party Committee issued Resolution 33/ND-DUQS on having the Army promote productive labor and participate in economic construction and on reorganizing the production organizations and improving the management mechanisms of the units involved in economic work. The Ministry of National Defense issued many directives to concretize the implementation of the resolutions and policies on economic work and to correct the mistakes made by the economic bases in the Army in carrying on production and business activities.

Thus, it can be affirmed that the Army has not participated in building the economy because of some subjective desire but because this is a tradition and objective necessity that has been affirmed and regulated by the party and state. The question is, how should we organize and implement things in order to ensure that this policy of the party and state achieves the greatest results?

Today, the Army has formed almost 60 organizations to engage in economic activities. These have been established in the form of general corporations, corporations, enterprises, and science and production federations and assigned to approximately 200 primary level production enterprises. The defense industry has produced production materials and consumer goods to support the three economic programs. Such items include lathes, jute polishers, hydraulic presses, electronic components, motorcycle parts for the transportation sectors, paper, cement, and detonators and slow-burning fuses for the coal sector. It has also assembled computers and television sets, built buses, lumber trucks, and various types of electric fans and repaired boats. A number of these

products are of high quality and have been awarded gold medals at economic and technical and export exhibitions. The specialized economic units have completed a number of difficult and complex tasks at key projects of the state such as the Pha Lai thermo-electric project, the Hoa Binh hydroelectric project, the Lao Cai apatite mine, the Vung Tau oil and gas project, and Highway 279. They have made important contributions in building new economic zones in strategic areas and in coordinating the economy with national defense in such areas as the rubber and coffee zones in the Central highlands and eastern Nam Bo, the wet rice zone in western Nam Bo, the paper raw materials zone in Ha Tuyen, and the coastal dike area in Con Thoi. The units in the standing formations (including repair enterprises of the various branches of service and military technology research institutes) have produced valuable economic and scientific products and earned a good income in order to improve living conditions, implement the policies, and maintain the potential and improve the combat and combat readiness capabilities of the armed forces.

An evaluation of the results achieved in past years shows that the Army has contributed effectively to maintaining and increasing the national defense strength, maintaining the defense industry, and overcoming some of the difficulties facing the Army. Almost all of the national defense production installations and economic bases have striven to provide jobs for the laborers. A number have become self-sufficient and reduced the national defense budget. At the same time, they have made notable contributions to building the country's economy. These achievements are of great significance with respect to the economic, national defense, political, and social fronts.

In the coming years, in the new situation, the military forces that participate in building the economy must take steps to organize the forces and management mechanism so as to exploit their strengths and achieve the greatest results possible.

The Army must engage in economic work primarily in order to carry out the military and national defense tasks. But at the same time, it must use every possible source of strength of the Army to build the country. A strong economy will serve as the basis for a strong national defense. Thus, the Army's economic tasks will focus on the following:

The defense industry enterprises must participate in producing economic goods in order to maintain the potential of the hard-core defense industry and contribute to building and expanding the country's national defense industry.

The specialized and technical units must participate in building difficult projects and infrastructural projects in difficult terrain. They must participate in building important areas that are tied to national defense and security and that require close coordination between the

economy and national defense and in building new population zones in the border areas on remote islands.

The regular Army forces must exploit the existing potential and on-the-spot potential, engage in productive labor, and produce economic products based on completing the training, combat readiness, and combat tasks and contributing to improving the standard of living of the cadres and soldiers.

Here, we must clarify the idea that the Army has not carried on economic activities effectively, that it still relies on state subsidies and still exhibits many negative aspects, and that the units engaged in economic activities spend more than they bring in.

In order to correctly evaluate the results of the economic activities of these units, these must be compared with the tasks and practices of the transitional stage from combat tasks to economic tasks instead of simply making a comparison between economic revenues and expenditures and expenditures of a national defense and policy nature. Even if a unit does not engage in economic activities, it will still incur these latter expenses. For example, in some of the units that have switched to economic activities, a number of the troops have been soldiers for 20 to 30 years. They are ready to retire and need housing and other subsidies based on the measures stipulated in order to stabilize their families. Thus, expenditure funds obtained from the national defense budget will certainly be greater than the amount of money earned by the unit in carrying on economic activities. Thus, it can't be said that that unit has not been successful in carrying on economic activities. The same is true for the national defense industries. Most of the forces and material and technical bases were originally created in order to support war and so we cannot immediately switch them to economic activities, particularly activities based on a market mechanism. Having the national defense industries participate in producing economic goods is a measure for hitting the target of maintaining and expanding the ranks and forces engaged in producing weapons and military equipment stemming from the needs of national defense and security. The results here must be viewed based on integrating the results achieved on both the economic and national defense fronts.

However, it is wrong to say that because of the many difficulties of a military nature, the Army does not need to concern itself with striving to achieve high economic results in carrying on economic activities. The units that have switched to economic activities must continue to produce and carry on business activities effectively, and they must practice economic accounting and oppose state subsidies. This is essential for the survival and growth of these units.

Another problem is the organizational structure. Every country in the world has a different organizational model for involving the military in economic activities. Some countries have implemented a professional military

system in which the military does not engage in economic activities. Other countries have organized a system that coordinates military obligations with labor obligations and formed economic corps [binh doan] to carry on activities based on a state subsidies management mechanism. And there are countries in which the military has been organized in the form of accounting units just like other economic organizations. In no country can a single form of organization be in accord with every historical stage.

As for Vietnam, in the present situation and in the coming years, regardless of whether or not they are regular Army units, the bases engaged in economic activities are an integral part of the organizational system of the Vietnam People's Army, and they are under the direct leadership and guidance of the Central Military Affairs Party Committee and Ministry of Defense. In organizing a military unit to carry on economic activities, it must be ensured that the unit carries on production and business activities using an economic accounting system (except for regular Army units that engage in labor and production in order to improve living conditions). The strengths of military organization must be exploited in accord with the management standards of the military affairs cadres who have switched to economic activities. Steps must be taken to enable the military regions, branches of service, and functional organizations subordinate to the Ministry of Defense to manage and guide (by echelon) these organizations. Of the military organizations engaged in economic activities, there will be units that are directly subordinate to the Ministry of Defense, to the general department, and to the military regions and branches of service. There are also a number of science and production federations subordinate to the ministry and a number of repair enterprises subordinate to technical sectors in the military regions and branches of service that can be given the credentials of juristic entities engaged in economic activities.

The organizational structure must be formed in such a way that the production and business installations do not have to go through many management levels. These installations should have only one echelon directly above them.

We can preliminarily divide the military forces engaged in economic activities into three types:

1. National defense production enterprises, based on completing the task of producing military goods as directed by the Ministry of Defense and using the remaining forces to produce goods needed in daily life.
2. Specialized economic units (general corporations, corporations, and so on).
3. The production installations of the regular Army that engage in labor and production in order to improve living conditions for the troops.

With these three types, they can form many other specific types of targets such as defense industry enterprises, rear service industry enterprises, corps that specialize in carrying on economic activities in important areas and that coordinate the economy with national defense, general corporations and corporations, ordinary economic enterprises, and workshops, stations, and farms subordinate to regular military units.

With such a system for organizing the military forces to participate in economic activities, it will not be possible to use a single unified management mechanism for all the targets. Because of this, a suitable management mechanism must be formed for each target.

At present, we have decided that:

The Ministry of Defense is the state economic management organization with respect to all the organizations in the military that are engaged in economic activities.

The Ministry of Defense has put the Defense Industry and Economics General Department in charge of coordinating things with the functional organizations and helping the Ministry of Defense perform a number of state management functions with respect to economic matters.

The military regions, branches of services, technical branches, and general departments are the echelons directly above the production and business installations.

The type 1 and 2 enterprises and commercial installations must be managed using an economic accounting mechanism.

In certain respects, the management mechanism must be the same for all the targets, but it must also be tailored to meet the individual needs of the different targets that have different military tasks. The mechanism that is developed must create the conditions necessary for exploiting the dynamism, creativity, potential, and strengths of military units that are carrying on economic activities within the framework of the laws of the state and the stipulations of the Ministry of Defense on the planning, materials, financial, labor, and policy fronts.

#### **Article Discusses Communications in National Defense**

912E0199C Hanoi *QUAN DOI NHAN DAN*  
in Vietnamese 13 May 91 p 2

[Article by Vu Duong Nghi]

[Text] In our country today, there are two types of communications networks if we divide the national communications system by objective and support task. One signal and liaison network supports the socioeconomic tasks and is managed and exploited by the Vietnam Posts and Telecommunications General Corporation. The other supports the national defense and fatherland defense tasks and is managed and used by the signal and liaison branch and the Ministry of Defense.

These two communications networks have been expanded from the central echelon to the provinces, cities, and industrial zones and to the military regions, corps [quan doan], services, branches, and provincial and municipal military headquarters. These two communications networks use basic signal means, but these differ in terms of their capacity, information quality, and economic value.

In the face of the need to build and expand the infrastructure of the economy, in recent years, the information network managed and exploited by the Posts and Telecommunications General Corporation has received investment funds and built and put into use modern, high-quality signal and liaison equipment that meets international standards. Today, two-thirds of the northern provinces and provinces in the Mekong Delta communicate with each other using a microwave signal system and a system of Intelsat stations in Hanoi and Ho Chi Minh City to ensure that the transmission of data between northern and southern provinces of the fatherland is of high quality and stable. Besides this, an optic-fiber cable is being built between Hanoi and Ho Chi Minh City and should be completed and ready for use by 1992. The above developments concerning technical means will support the socioeconomic, national defense, and security sectors and gradually satisfy the telephone needs of the sectors and localities.

The military signal and liaison network is presently quite backward with respect to equipment and signal quality as compared with the posts and telegraph signal system. Almost all of the open wire lines were built during the war and expanded in areas of difficult terrain far from the communications hubs and socioeconomic centers. As a result, these are very difficult to protect and repair. The terrain and weather, negative phenomena in society, and the poor quality of the lines and stations has had a great effect on signal quality. The annual funds and materials provided for making repairs are insufficient to maintain things. The need to reorganize the forces in accord with the requirements of the war to defend the fatherland meant that we had to build many new lines, but the funds and materials now available have not allowed us to expand these.

The radio signal network outside the scheduled signal network and the call network are encountering many difficulties with respect to sources of electricity. This is because many units have stationed troops in places that don't have industrial electricity. Thus, they have to run engines 24 hours a day. But some places receive and transmit only five-10 telegrams a year, which is a great waste of gasoline, labor, and equipment. But because of the requirements of combat readiness, they can't shut down service. Transmissions on the main networks are managed by military personnel, but the main means of transportation are managed by sectors outside the military.

In view of the present state of affairs concerning the signal networks of the posts and telegraph sector and

Army, many signal cadres and soldiers in units throughout the Army agree that leasing posts and telegraph nets to maintain signal and liaison for national and fatherland defense tasks is something that must be studied in greater detail, because this has many advantages. In the developed countries in the world, the national signal network is managed and exploited by the posts and telegraph sector. The sectors and localities lease telephone lines in order to satisfy their signal and liaison needs. Developing things in this way is a manifestation of a thorough understanding of the party's viewpoint on coordinating the two tasks of building and defending the fatherland and building the economy in conjunction with solidifying national defense. The state's construction investments must be used to quickly build a modern national signal network and to contribute to quickly standardizing the training of personnel and standardizing the use of the signal means throughout the country. In accord with the need to reduce the size of our Armed Forces, the defense budget must enable the Army to concentrate on maintaining and exploiting equipment, to study the production of signal equipment used at command headquarters and with military combat weapons, and to study important signal and liaison directions to support the task of defending the fatherland.

In the past period, a number of military units have leased both radio and wire posts and telegraph lines to transmit messages to support the flood control work and the provincial and municipal defense exercises during specific periods. Because of having modern technical means, they have been able to maintain good signal quality on many fronts. But this test leasing has exposed many problems that the state and the sectors concerned must solve in order to quickly expand the scope of this in the coming period. Above all, the posts and telegraph sector is an economic sector that practices economic accounting. Every target that leases telephones must pay for this service. The average unit cost of a telephone line from the military region to a provincial headquarters is about 1.8 million dong a month (1990 price). Because this is so expensive, the national defense funds available for signal and liaison tasks are insufficient to lease lines from the Ministry of Defense to the military regions, corps, branches, services, and provincial and municipal military headquarters. Secrecy, timeliness, and accuracy are special characteristics of the tasks and operating principles and requirements of military signal and liaison. Thus, when transmitting intelligence items and data related to national defense tasks, the posts and telegraph cadres and employees must be politically trustworthy and have a spirit of revolutionary vigilance and a lofty concept of organization and discipline, and they must implement the various work measures carefully. In any country, when a war breaks out or when the military has to carry out unexpected tasks, it must use some or all of the people and signal means of the posts and telegraph sector. Because of this, we must formulate regulations ahead of time. In building the signal projects of the posts and telegraph sector, besides satisfying the economic and

social needs, attention must be given to national defense and security requirements and to maintaining operations in both wartime and peacetime. Linking the military and civil signal networks requires that the cadres and personnel who use and manage things be trained in a uniform way. Procedures and regulations on signal use must be promulgated, and there must be measures giving priority to the military in both peacetime and wartime. Switching to leasing telephones means that the military units must reduce the number of unnecessary telephones and closely regulate and control the use of telephones. They must determine which targets and places will be equipped with telephones. The widespread use of telephones, which is the situation that presently exists in a number of places, must be stopped. And the waste of state and military funds in storing equipment and maintaining operations must be stopped.

The military signal sector and the posts and telegraph sector must take steps to solve the above problems. But these problems are related to the defense of the fatherland and to national security, and so the state must promulgate legal regulations to form a basis.

Starting from the need to solve the problems effectively for the country in accord with the present situation both here and abroad and to economize and exploit all the capabilities of the national signal network of the posts and telegraph sector, we hope that the state and the sectors concerned will soon study and promulgate regulations on leasing posts and telegraph lines to maintain the signal and liaison network to support the national defense tasks.

#### Article Discusses Officers' Concerns

912E0199D Hanoi QUAN DOI NHAN DAN  
in Vietnamese 29 May 91 p 3

[Article by Ho Thuy Anh]

[Text] There is a change taking place in today's ranks of officers in the primary level units: Younger officers (those who have just graduated or who have been out of school five to seven years) want to return home, the sooner the better. Officers who have been in the military less than 20 years are trying to "hold their breath to get across the river," and officers with more than 20 years in the military don't really care if they are discharged or remain on active duty. This situation did not arise just recently, and there is nothing strange about this. I say this to emphasize the fact that even though there are officers who want to leave the military, they are prepared to stay until things have been resolved. And these are command cadres who regularly complete their tasks. I learned this from studying the wishes and hopes of a number of officers stationed with the 3d Infantry Corps.

Lieutenant Colonel Nguyen Quang Phuc, the political director with the 3d Corps, said that his unit now has about 200 officers who want to return home. That is about 30 percent of the unit's complement of officers. Looking just at those who "want to return home,"

readers will almost certainly say that this unit is facing a cadre "crisis." And naturally, the quality and results of training and building the unit will be very low. But that is not the case, as I emphasized above. According to the political director, the problem that the 3d Infantry Corps needs to solve is the shortage of platoon leaders. He said that the unit needs 55 percent more platoon leaders. The lack of platoon leaders is a problem facing almost all the primary level units. In this short article, I want to mention another aspect and that is the reason for the complex change that has taken place in the attitude of primary level unit officers today. According to unit statistics provided by Lt. Col. Nguyen Quang Phuc, more than 200 of the unit's 870 officers have families whose standard of living is below average. And the families of almost all the other officers are encountering difficulties. Something worth noting is that the families of most of the officers live in rural areas. I would like to cite a number of figures: Of the 870 officers serving with the 3d Infantry Corps, two have families living in Hanoi, and three have families living in the suburbs of Thai Nguyen City. The family of one officer lives in the city of Bac Giang, and the family of another officer lives in the city of Vinh. The families of the remaining officers live in rural areas and work in the agricultural sector. With today's agricultural contract mechanism, the lack of the male role in the family is a notable "shortage." Perhaps it should be added that everyone knows that that is an important reason that directly affects the mood of today's officers.

The party and state have implemented many priority policies that manifest their concern for the rear area of officers in the Army, particularly in the rural areas. However, in reality, these policies have not been fully implemented. We don't think that there is any need to talk about promulgating new policies. The important thing is that the organizations and localities must resolutely implement the existing military rear area policies. We must avoid "doing things halfway."

#### ECONOMIC

##### Various Opinions on Market Economy Noted

912E0197A Hanoi NHAN DAN in Vietnamese  
27 May 91 p 3

[Article by Le Huyen Thong]

[Text] This is one of the themes that has been vigorously debated at the various echelon party congresses (round 1). Many people are concerned about this not only because they have a concept of responsibility to the country but also because this is related to the lives of every family. The integrated reports that have been debated at the congresses have all affirmed that one of the great achievements in renovating the economy during the past four years is that a multifaceted commodity has begun to be formed and that it is operating based on a market mechanism with state management. All strata of people have responded to this policy and

quickly used it in daily life. Tens of thousands of state enterprises, collective and private economic units, and individuals have begun working in an atmosphere of intense competition. Circulation is no longer at a standstill. There is a large variety of commodities. The potential and creativity of the people have been aroused in order to expand production and services, create additional jobs, and increase products for society.

Many people have stressed the achievements scored in reforming prices and in switching from an administrative fixed-price system to a mechanism in which market prices hold the central position. This policy has greatly reduced artificial needs and the hoarding of materials and commodities and eliminated state subsidies through prices. The market economy has stimulated the renovation of the circulation policy, expanded foreign economic relationships, and formed a unified domestic market that is tied to world markets.

The provincial and municipal party organization congresses have affirmed the results of renovating the management mechanism in agricultural production in the rural areas, expanding the commercial independence of the state enterprises in many respects, and stimulating production based on market demand. It can be said that shifting the economy from a bureaucratic centralism and state subsidies system to a market mechanism has created the conditions for fundamentally changing the management structure and mechanism. Clearly, the very important initial economic advances, together with the achievements on the national defense, security, and foreign affairs fronts, have created greater political stability and made everyone aware of the renovation since the sixth congress.

#### **Must Also See the Reverse Side of the Market Mechanism**

Many representatives agreed with the idea that the achievements of the renovation movement should not be exaggerated. Because our country is still in an economic and social crisis. In a multifaceted commodity economy, markets are tied to the laws of competition and selection. Accepting the market mechanism also means accepting competition in order to accelerate the expansion of production. And competition will naturally lead to selection. Clearly, along with the positive aspects, the market mechanism also has various negative aspects. This means that the state's macrocosmic management must create the conditions and legal environment necessary for the market economy to grow in a wholesome way in the proper direction. Many people in the party organizations said that one of the major shortcomings of cadre work and of guiding things is that the reverse side of the market mechanism was not seen at the outset and that the situation was not foreseen or discovered promptly in order to implement measures to deal with the problems effectively. What is obvious is that many negative aspects and social injustices have arisen and expanded during the process of switching to a market mechanism. People have chased profits regardless of the cost. They

have engaged in fraud, committed crimes, and been prepared to trample on others in order to enrich themselves illegally. Pragmatic life places money above conscience, human dignity, and human feelings. This involves a tendency to engage in trade more than production. In many places, commercialization has encroached on the cultural, public health, and educational organizations and even the internal policy organizations. Such laxity will certainly weaken people's discipline and affect their adherence to the law, and social injustices will increase. At the same time, with respect to the state's macrocosmic management at the various echelons, many weaknesses have been exposed. In particular, the state has not effectively fulfilled its function of setting guidelines or of inspecting and regulating the economic elements. The Hanoi municipal party organization congress and the Quang Nam-Danang, Nghe Tinh, and Ho Chi Minh City all-military and party organization congresses criticized the activities of the banking, financial, and commercial sectors, charging that they have exhibited many weaknesses and shortcomings. Some delegates stressed that the shortcomings concerning state control in these spheres is due not just to the poor standards but also to the fact that the cadres have declined in quality. There are many loopholes in market management. Smuggling is a serious problem and has been for a long time. Inspections have not been made carefully, and corruption and fraud have not been discovered promptly or dealt with resolutely. The new market mechanism is not synchronized. More laws are needed to ensure that production and business move in the right direction. We have been slow to review the experiences. Some delegates expressed concern that expanding the market economy will be contrary to the socialist path and lead to disorder and social injustice. Many of the delegates at the municipal party organization congresses and a number of people from central organizations stressed that the negative phenomena and difficulties mentioned above are things that are difficult to avoid in switching to a market economy. Objectively, the state organizations must both work and gain experience. Only through actual practice have they fully seen the reserve side of the market mechanism. Every achievement has its price. In switching from state subsidies to commerce, many of the state economic units have not had time to adapt to the new mechanism. Because of this, it is easy for sluggishness and localism to arise. And initially, it is difficult to have adequate laws, and the state will lack all the necessary inspection and regulatory tools. The way to get out of the present economic and social crisis is to continue renovating things in a synchronized way. We definitely can't return to the old mechanism.

#### **The Legal Environment and Ranks of Skilled Business Cadres**

Everyone knows that the process of changing management mechanisms provides a chance to filter and test the ranks of cadres. The important thing is to urgently build a modern market infrastructure. The first thing is to



expand the state and collective economies, including state commerce, and gradually have these become the foundation for the national economy. Many of the delegates at the Ho Chi Minh City municipal party organization congress harshly criticized a number of the financial, banking, and tax policies and said that they are actually creating difficulties for the state economic elements. The congress proposed redefining the state economic role, maintaining a number of sectors and bases having key positions, and ensuring that the state regulates the economy of the entire country. The party organization congresses in the fields of science and education and the central economy in Hanoi, Haiphong, Ha Nam Ninh, and Thai Binh stressed that the urgent problem is to provide capital for production, including liquid assets and intensive investments. Some delegates mentioned the experiences in helping the bases distribute liquid assets by consuming stagnant products and ensuring the supply of materials for industrial production. They proposed soon promulgating a law to protect domestic goods. The new mechanism does not permit installations to suffer long-term losses or to rely on state subsidies. Actually, today's competition is a race to renovate technology in order to create high-quality, low-cost products in accord with the tastes of consumers. This is manifested in the ability to gather information and to deal with and predict market changes. Foreign economic activities must be fundamentally renovated with respect to understanding, organization, and macrocosmic control. The market economy must expand based on an open system both here and abroad, and the situation in which there is self-sufficiency and in which things are divided and closed must be overcome. The external economy must be made more varied based on the principle of both sides profiting and of respecting the sovereignty and independence of each other. We must continue to renovate the activities of the banking, financial, and commercial sectors in order to stimulate production and contribute to gradually stabilizing the Vietnamese currency.

Many people suggested studying and promptly promulgating a number of legal documents on economic matters and guiding and controlling their implementation in order to establish market order and ensure fairness and wholesomeness in business. Encouraging production and business talents must go hand in hand with resolutely punishing fraud and other illegal activities aimed at making a profit. Switching to a market economy requires that we have a corresponding system of laws. The law is the tool for ensuring that the market economy operates in an orderly and disciplined fashion in the stipulated way and for ensuring that commercial activities are carried on within the framework of the law. A number of the delegates from central ideological organizations and central economic organizations observed that in formulating laws in the past period, there has been a lack of unity. Things have been dispersed. Things have been done without first building a base. An inheritance law was promulgated without first promulgating laws on

ownership rights. Every citizen, the state, every state and party organization, and every mass organization must obey the laws.

One solution with which all the party organization delegates were very concerned was training and retraining cadres in order to build ranks of skilled commercial cadres and satisfy the needs of the market economy. A national market information system must soon be organized.

The statistics and economic analysis system must be reorganized, and a unified accounting system must be established nationwide. Many people stressed that because of the lack of information and because the information provided is often wrong, the state constantly has to deal with urgent problems, because it can't predict the situation.

#### **How Can the Market Economy Be Effectively Managed?**

Many delegates said that all of the solutions proposed will prove ineffective unless the party gives attention to improving the system of state organizations so that these organizations can carry out their function of managing the market economy on the macrocosmic level. The leadership methods of the party, above all, the party's leadership with respect to the state, must be renovated. Improving the effectiveness of state management will affirm the party's leadership role. The party organization congresses at the central economic and scientific and educational organizations said that the various echelons must correctly understand the state's management role and overcome the situation in which state powers are abused in order to interfere in production and business. A number of delegates said that many professional organizations and even state economic units carry on activities in the name of the state. Because of this, one organization directly subordinate to the Council of Ministers uses the name "state commission." The heads of many organizations use the name of the state in handling economic relationships. The directors of corporations and enterprises also claim to be state organizations so that they can deal unfairly with economic organizations outside the state sector. Besides this, there is the "central state" and the "local state." Because of this misunderstanding, the administrative powers of the localities have been transformed into "state" powers in this village and that district and even in hamlets. A number of delegates asked: Why are there so many "state" organizations? It will be impossible to establish order and discipline in economic and social management unless attention is given to reorganizing the state management apparatus. This must be carried on in every sphere. However, the key is to reform the administrative system in order to build a state executive and administrative control system from the central echelon to the primary level with adequate powers and abilities. The state apparatus must be trim and rational, cadres must be employed correctly, and organizations must be stabilized soon. Above all, the policies and mechanisms must be reexamined, and the



loopholes that create the conditions for the growth of bureaucratic centralism, corruption, and other negative phenomena must be discovered.

### **Building Economy, Defending Sea Discussed**

912E0196A Hanoi TAP CHI QUOC PHONG TOAN  
DAN in Vietnamese Apr 91 pp 33-36

[Article by Professor Tran Dinh Gian: "Building Economy and Defending Our Waters—A Strategic Task"]

[Text] Our country occupies the eastern part of the Indochinese peninsula, has a coastline 3,260 kilometers long, or nearly as long as our land borders (3,730 kilometers), and has a territorial area of close to one-third of a million square kilometers.

But we will be wrong if we do not mention our vast territorial waters which include a large continental shelf and a network of islands and archipelagoes stretching all the way from the Gulf of Tonkin to the Gulf of Thailand. We have a territorial sea of 12 nautical miles and an exclusive economic zone of 200 nautical miles from the base line determined by international law, with a total area exceeding 1 million square kilometers, or three times as large as our land area. The continental shelf, which correlates with the exclusive economic zone and contains abundant resources and precious metals, cannot be separated from our territory although it is under water. Several islands and archipelagoes are connected to our land mass through the continental shelf and these are all parts of our fatherland, despite the fact that they are close to the shore, such as the Ha Long and Bai Tu Long Archipelagoes, the islands of Hon Ne, Hon Me, Hon Chuoi, Phu Quoc; the islands that are far from the shore include the Con Lon Islands and the ones that are in the middle of the South China Sea are the Paracel Islands and Spratly Islands.

In order to attain the long-term objective of developing the economy for the sake of the people's prosperity and the country's strength, to move our country along the road to development, and to turn it into a prosperous socialist country, we have mentioned a total exploitation of the great potential of a sea-based economy in the draft of the Strategy for Socioeconomic Stability and Development by the Year 2000. I agree with the contents of this draft and, as a contribution to a clearer understanding of the construction and defense of our socialist fatherland in the transitional period, would like to offer some ideas about the important role of the sea and continental shelf and about the direction to take in order to develop and exploit the potential of the sea-based economy.

1. The territorial waters and continental shelf play an extremely important role in the national economy, as well as in our country's social life, security, and national defense.

The sea that surrounds our country is a special component of the South China Sea, a large sea that is almost closed, with just a few narrow straits connecting it with the Pacific Ocean and Indian Ocean. While the formation of coastlines in the world has become stable, our coast is being in a state of upheaval and is getting accumulated deposits at a relatively fast pace due to the phenomenon of directional flow and attraction toward both the Indian Ocean and the Pacific Ocean, which also raises the Himalayan mountain system, including its tail being Vietnam's Truong Son mountain range. Consequently, the waters that come under our sovereignty are a shallow sea (60 percent has a depth of less than 200 meters) having a large population of crustaceans and mollusks.

Our territorial waters are at the joining point of the Tethyan Belt circling the world with the biomineral trenches inside and outside the Pacific Ocean, and on the eastern shoreline of the Asian continent, where the latter comes into contact with the ocean; as a result, there are zinc and tungsten deposits in the northern part, and large concentration of titanium and ilmenite along the shore and in the continental shelf; off the central and southern coast, within the Sunda Shelf, the oil and gas exploration, which is being widened, has brought about encouraging results and indicates that the deposits there may be among the large ones in Southeast Asia.

Our waters also are in the international sea route going from the Indian Ocean to the northern part of the Pacific, from the Indochinese peninsula to the islands of Oceania, and control a vital crossing point of sea routes. As nowadays the sea is no longer an obstacle and instead links the continents together, the above-mentioned fact has a special value in economic and cultural exchanges of worldwide scale among nations or groups of nations.

In our country's strategy of socioeconomic construction and defense of the socialist fatherland, to strongly develop the strengths and potential of the sea will help to attract capital investment from foreign countries; to achieve joint enterprise and alliance for expansion of production, maritime and air transportation activities and services, development of tourism and resort facilities, and treatment of diseases with the natural advantages offered by the tropical conditions of the northern and central parts of the country and the near-equatorial conditions of the southern and southwestern parts; and to quickly overcome the lack of balance in the economy, the shortage of jobs, the poor economic results, and the "gradual depletion" of inland natural resources. At the same time, this is an affirmation of our sovereignty over our traditional waters and over the in-dispute waters and islands.

2. Guidelines for development and exploitation of the economic potential of the sea, and for consolidation of the all-people national defense and security in our water.

*First*, we must strongly develop the sea-based economy and link together the territorial waters and inland territory in a common national strategy. This is the age-old tradition of the Vietnamese people for creating wealth. This tradition is represented by a brilliant civilization—the “Red River civilization”—highlighted by the well-known cultivation of wet rice and the river- and sea-related occupations depicted in engravings on archeological copper drums. Today, we have been further developing this tradition and have obtained specific achievements in the economic, cultural, and social fields, but generally speaking, these achievements are not yet commensurate with the strengths and potential of the sea and our era. Many coastal municipalities, cities, and rural areas remain poor and underdeveloped. This poverty and underdevelopment, added to the lack of concern and inappropriate investment of the state, has widened the gap among localities in the coastal region and between the coastal areas and islands on the one hand and other economic zones on the other.

In order to exploit the great economic potential of the sea, we must pay attention to these key matters:

- In the coming years, we must quickly build and develop our information-communications and sea and river transportation networks, increase the capacities of our sea and river ports, and build a number of sea resources-processing facilities in key locations. This is a very important infrastructure and the precondition for the economic, cultural, political, and social development of the localities and the country as a whole.

- We must select the coastal municipalities and cities that are in suitable locations and turn them into economic centers and large harbors so as to create favorable conditions for economic association and expansion of production among sectors and zones, and to develop the flow of goods within our country and abroad. At the same time, they also will be the vital defense areas and important military staging areas and logistical bases in the case of a people's war taking place in the entire country to ensure for our forces the operations that are directed at the sea.

- We must redistribute the population and productive force in coastal provinces and districts and islands, bring people to offshore islands to live and to develop their economy, gradually create a fleet for catching and processing sea products in the open sea, and build defense installations on islands and archipelagoes to turn them into a fortress that defends our waters and continental shelf.

- We must use logically and effectively the budget of the central administration and the self-provided capital of localities, as well as the capital invested by private individuals and foreigners.

- We must clearly determine the role, functions, tasks, and authority of sectors and organs from central to local level in the management of the territorial waters and sea resources. We must achieve unified state leadership at

the central level and the right of local administrations to govern themselves so as to develop their independence, creativity, and sense of responsibility in the construction and development of their localities.

*Second*, we must logically exploit the sea resources and avoid the danger of depletion of such resources and sea pollution. For the time being and in the few coming years, our main efforts must be concentrated on extracting oil and gas and sea products. There are favorable facts about our oil and gas resources: From 1986 to 1990, the Vietnamese-Soviet Oil and Gas Joint Enterprise had extracted the 5,000,000th ton of crude oil; foreign countries have made bids on 90 out of 120 parcels set for exploration and extraction in the South China Sea. These facts indicate that our country has made considerable efforts, such as setting relatively easy conditions in contracts for exploration and extraction, expanding a number of port facilities to handle the need for offshore supply, and so on. But until now the state has not yet made public the oil and gas law and regulations on protection of the sea environment in these exploration and extraction locations. From the standpoint of economic effectiveness, it is now time to quickly perfect the policy on protection (including protection of the areas in the sea and islands where oil and gas exist) and investment having to do with exploring, extracting, producing, processing, and using in a rational manner these precious resources of our country.

To extract sea products, which are renewable resources, directly affects a quick solution for three key economic programs, namely, grain-foods, consumer goods, and export, which in the last few years made good progress in terms of investment and extraction and raising plans. But there have been deliberate and wasteful extracting efforts that disregarded rules and regulations because some localities and individuals have adopted a narrow-minded view to the effect that these resources should be considered those in their “back yards.” Those efforts have led to the danger of gradual depletion of sea products due to their inability to reproduce quickly enough and to the fact that the fish in our waters usually are small and evolve in an unfavorable direction.

This situation requires that we link the strategy of extracting sea products in our waters with that of protecting and raising them. In order to accomplish this, first of all we must conduct basic investigation and research on the natural and socioeconomic conditions of the territorial waters and islands, and simultaneously draft plans for synchronized and systematic investment. Secondly, we must be aware that to extract, catch, or raise sea products more or less has to do with industries that process (including both preliminary processing and total refining), pack or can, and use or export such products. In the general scheme of development, we must build specialized industries and occupations, such as the ones involving raising shrimp, sea turtle, abalone, sea cucumber, pearl, and such special products as snails and various kinds of precious southern fish, and have

plans for raising sea products in salt and brackish water in our tidal banks, gulf areas, and inland waters.

For protecting our waters and sea products we must take firm measures to avoid extracting immature sea products by using dynamite and dragnets near the shore. The volume of sea products extracted in our waters should not exceed the allowed limit of 1.4 million tons/year. We must have plans for protection of the environment and for fighting sea pollution in the areas of extraction of oil and gas, particularly in the areas of upwelling along our country's southern coast. We must pay attention to the ecological relationships of forests and the sea because some fishes every year swim from distant sea areas to familiar regions to spawn and then billions of fry move downstream and grow up in the sea before spreading to familiar fishing grounds.

In order to comply with the guidelines on development of the sea-based economy, we must resolve the most important matter, i.e., *to guarantee stability* in this region. Our state has actively joined with the neighboring countries in the region in resolving the dispute over the territorial waters and islands by peaceful talks. This action is in accordance with the trend of today and the dear wishes of every peace-loving citizen. At the same time, we also must actively educate our people, particularly the people and youths in coastal areas and islands, to make them recognize the important strategic role of the sea in the construction and defense of our fatherland and know the guidelines on building and protecting our country's waters, and build and train a new generation, which consists of people having a far vision from the sea-based economy and people having the abilities to operate and to fight on river and sea battlegrounds like the historical figures, Yet Kieu and Da Tuong, to serve as the backbone for our efforts to fulfill the task of building and strongly defending our sovereignty over our fatherland's rich waters and islands.

### Joint Projects Granted Permits at Investment Forum

91P30158

[Editorial Report] On 18 March, the Ho Chi Minh City daily SAIGON GIAI PHONG reported that the first investment forum ever held in Vietnam took place on 11-15 March in Ho Chi Minh City with the participation of 431 companies from Western countries. At the end of the forum, the State Commission for Cooperation and Investment granted permits to 11 projects and postponed action on 118 others pending further investigation. The following list includes significant projects that received permits:

1. Permit No. 140 was granted to the Bong Mieu Gold Mining joint trade firm, a 25-year venture between Austria's Covictory Company and the Vietnamese Ministry of Heavy Industry's Mineral Development Company. The firm will mine gold in Bong Mieu and will be capitalized at \$13.2 million.

2. Permit No. 167 was granted to Sas Hanoi Royal Hotel Company Ltd., a joint trade firm between the Hanoi Tourism and Services Company and the North European company ASA International Hotel Investment Ltd. The firm plans to build a hotel in Hanoi and will be capitalized at \$25 million over 25 years.

3. Permit No. 168 was granted to the Tran Hung Dao Hotel joint trade firm, a 20-year venture between the Vietnamese Ministry of Light Industry's Union of Shoe Leather Import-Export Enterprises and three Thai companies, United Sewing Equipment, JCD, and United Pharmaceuticals. The firm will renovate a building at 700 Tran Hung Dao boulevard in Ho Chi Minh City and turn it into a hotel. Total investment in the project will be \$1.04 million.

4. Permit No. 169 was granted to the PE Fibers Production joint trade firm, a 10-year venture between the Vietnamese Ministry of Light Industry's Viet Tien Tailoring Company and Hong Kong's Golden Desire Trading Company. The firm will be capitalized at \$1.22 million and will produce polyester batts in Ho Chi Minh City.

5. Permit No. 172 was granted to the Koresvina Wood Processing and Export joint trade firm, a 20-year venture between the Vietnamese Ministry of Forestry's Union of Agricultural and Forestry Industries E-a-Sup and the Indonesian conglomerate Korindo. The firm will be capitalized at \$3.5 million and will process and export timber.

6. Permit No. 174 was granted to Advance Pacific Saigon, a 20-year joint venture between Ho Chi Minh City's Production and Combined Services Company and Japan's Advance Pacific Corporation. With \$2.67 million in investment capital, the company will renovate a building in Ho Chi Minh City and turn it into a three-star hotel.

### BIOGRAPHIC

#### Editorial Information on Personalities

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[Editorial Report] The following information on Vietnamese personalities has been extracted from Vietnamese language sources published in Hanoi, unless otherwise indicated. An asterisk indicates that this is the first known press reference to this individual functioning in this capacity.

#### Nguyen Ngoc An [NGUYEENX NGOCJ AANR]

Member of the Standing Committee of the Ho Chi Minh City CPV [Communist Party of Vietnam] Committee; on 4 May he attended a meeting in Tan Binh District to discuss party documents. (Ho Chi Minh City SAIGON GIAI PHONG 6 May 91 p 1)

**Vu Van Ba [VUX VAWN BA], \*Major General**

His article on building the militia and self-defense forces was published in the cited source. (NHAN DAN 15 Apr 91 p 3)

**Dang Nghiem Bai [DAWNGJ NGHIEEM BAIS]**

\*Assistant to the minister of foreign affairs; on 26 April he was present at a signing ceremony of a memorandum to open a representative office of the "Alliance Francaise" in Hanoi. (NHAN DAN 27 Apr 91 p 4)

**Tran Ngoc Ban [TRAANF NGOCJ BAN] aka Muoi Huong or Tran Quoc Huong**

Member of the CPV Central Committee; recently he was assigned by the CPV Central Committee to run in the Ho Chi Minh party organization but withdrew his name due to health reasons. (Ho Chi Minh City SAIGON GIAI PHONG 5 May 91 p 1)

**Pham Ngoc Bi [PHAMJ NGOCJ BI] aka Hai Bi**

Member of the Ho Chi Minh City CPV Committee; vice chairman of the Inspection Committee of the Municipal CPV Committee; his name was on the list of the city's CPV delegates selected to attend the seventh national party congress. (Ho Chi Minh City SAIGON GIAI PHONG 8 May 91 p 2)

**Cu Huy Can [CUF HUY CAANJ]**

Minister with special responsibility for cultural matters; on 29 April he attended an exhibit of French publications on economic management. (NHAN DAN 30 Apr 91 p 4)

**Nguyen Minh Chau [NGUYEENX MINH CHAAU], Colonel General**

\*Director of the Ministry of Defense's Department of Military Inspection and Special Tasks in the South; recently he was interviewed about a smuggling case involving an SRV Air Force flight crew. (Ho Chi Minh City SAIGON GIAI PHONG 8 Apr 91 pp 1, 3)

**Vo Van Cuong [VOX VAWN CUWOWNGF] aka Nam Cuong**

Member of the Ho Chi Minh City CPV Standing committee; CPV secretary of Cu Chi District; his name was on the list of Ho Chi Minh City CPV delegates selected to attend the seventh national Party Congress. (Ho Chi Minh City SAIGON GIAI PHONG 8 May 91 p 2)

**Phan Van Dinh [PHAN VAWN ZINHX]**

\*Vice minister of finance; on 4 May he attended a conference in Ho Chi Minh City on the implementation of the Council of Ministers' Decision No. 126. (Ho Chi Minh City SAIGON GIAI PHONG 6 May 91 p 1)

**Le Thanh Hai [LEE THANH HAIR] aka Hai Nhut**

Member of the Ho Chi Minh City CPV Committee; CPV secretary of the 5th District; his name was on the list of the city's CPV delegates selected to attend the Seventh National Party Congress. (Ho Chi Minh City SAIGON GIAI PHONG 8 May 91 p 2)

**Nguyen Van Hanh [NGUYEENX VAWN HANHJ] aka Tam Dan**

Member of the Municipal CPV Standing Committee and chairman of the Proselytizing Committee in Ho Chi Minh City; his name was on the list of the city's CPV delegates selected to attend the Seventh National Party Congress. (Ho Chi Minh City SAIGON GIAI PHONG 8 May 91 p 2)

**Nguyen Van Hieu [NGUYEENX VAWN HIEEUJ], Professor**

Director of the Vietnam Institute of Sciences; on 11 April he attended a reception held by Soviet Embassy in Hanoi. (NHAN DAN 12 Apr 91 p 1)

**Duong Minh Ho [ZUWOWNG MINH HOOF] aka Tam Ho**

Member of the Ho Chi Minh City CPV Committee; CPV secretary of Duyen Hai District; his name was on the list of the city's delegates selected to attend the Seventh National Party Congress. (Ho Chi Minh City SAIGON GIAI PHONG 8 May 91 p 2)

**Phan Van Khai [PHAN VAWN KHAIR] aka Sau Khai**

Member of the CPV Central Committee, chairman of the State Planning Commission; his name was on the list of Ho Chi Minh City CPV delegates selected to attend the Seventh National Party Congress. (Ho Chi Minh City SAIGON GIAI PHONG 8 May 91 p 2)

**Hoang Thi Khanh [HOANGF THIJ KHANHS]**

\*President of the Ho Chi Minh City Labor Union; recently she gave a speech at a party congress in Ho Chi Minh City. (Ho Chi Minh City SAIGON GIAI PHONG 6 May 91 p 3)

**Doan Van Khuy [DOANF VAWN KHUY] aka Sau Khuy**

Member of the Ho Chi Minh City CPV Committee; CPV secretary of the 11th District; his name was on the list of the city's CPV delegates selected to attend the Seventh National Party Congress. (Ho Chi Minh City SAIGON GIAI PHONG 8 May 91 p 2)

**Dang Xuan Ky [DAWNGJ XUAAN KYF]**

Member of the CPV Central Committee; director of the Vietnam Social Sciences Institute; director of the Marx-Lenin Institute; on 15 May he attended a conference marking the 50th founding anniversary of the Viet Minh

[Vietnamese Independence League]. (Ho Chi Minh city SAIGON GIAI PHONG 18 May 91 p 1)

**Nguyen Vinh Nghiep [NGUYEENX VINHX NGHIEEPJ] aka Sau Tuong**

Member of the Municipal CPV Standing Committee and chairman of the People's Committee, Ho Chi Minh City; his name was on the list of the city's CPV delegates selected to attend the Seventh National Party Congress. (Ho Chi Minh City SAIGON GIAI PHONG 8 May 91 p 2)

**Phan Doan Nam [PHAN ZOANX NAM]**

\*Editor in chief of the monthly review VIETNAM COURIER; his article on how to coordinate security, national defense and foreign affairs in the new revolutionary stage was published in the cited source. (TAP CHI CONG SAN Mar 91 pp 29-31)

**Bui Xuan Nhat [BUIF XUAAN NHAATJ]**

\*Director of the Department for Economic and Cultural Cooperation, Ministry of Foreign Affairs; on 26 April he was present at a signing ceremony of a memorandum to open a representative office of the Alliance Francaise in Hanoi. (NHAN DAN 27 Apr 91 p 4)

**Le Quang Nhuong [LEE QUANG NHUWOWNGF] aka Muoi Rua**

Member of the CPV Party Organization, Trade Office; director of Vissan company (Vietnam Meat Products Company); his name was on the list of Ho Chi Minh City CPV delegates selected to attend the Seventh National Party Congress. (Ho Chi Minh City SAIGON GIAI PHONG 8 May 91 p 2)

**Nguyen Tan [NGUYEENX TAAN], \*Major General, deceased**

Born in 1928 at Di Su village, My Van District, Hai Hung Province; former deputy director of Son La, Yen Bai Security Service; deputy director of a general department at the Ministry of Interior; director of the Joint Staff Department, Ministry of Interior; he died on 14 April 91 at the ministry's Hospital 198. (NHAN DAN 16 Apr 91 p 4)

**Hoang Thuc Tan [HOANGF THUCS TAANS]**

\*Deputy chief of the cabinet of the Council of Ministers; on 4 May 91 he accompanied Chairman of the Council

of Ministers Do Muoi on his visit to the Soviet Union. (Ho Chi Minh City SAIGON GIAI PHONG 5 May 91 p 1)

**Doan Duy Thanh [DOANF ZUY THANHF]**

Director of the Central Research Institute for Economic Management; on 29 April he attended an exhibit of French publications on economic management. (NHAN DAN 30 Apr 91 p 4)

**Do Ngoc Trinh [DOOX NGOCJ TRINH] aka Bay Ha**

Member of the Ho Chi Minh City CPV Committee; vice chairman of the city's People's Committee; his name was on the list of the city's CPV delegates selected to attend the Seventh National Party Congress. (Ho Chi Minh City SAIGON GIAI PHONG 8 May 91 p 2)

**Le Xuan Trinh [LEE XUAAN TRINHF]**

\*Vice chairman of the State Planning Commission; \*Vice chairman of the Sub-Committee of the Vietnam-DPRK Joint Committee; on 2 May 91 he bade farewell to a DPRK delegation. (HANOI MOI 3 May 91 p 1)

**Duong Quang Trung [ZUWOWNG QUANG TRUNG] aka Tu Trung**

Member of the Ho Chi Minh City CPV Committee; director of the Ho Chi Minh City Health Service; his name was on the list of Ho Chi Minh City CPV delegates selected to attend the seventh national party congress. (Ho Chi Minh City SAIGON GIAI PHONG 8 May 91 p 2)

**Pham Chanh Truc [PHAMJ CHANHS TRUWCJ] aka Nam Nghi**

Member of the Ho Chi Minh City CPV Committee; vice chairman of the city's People's Committee; his name was on the list of the city's CPV delegates selected to attend the seventh national party congress. (Ho Chi Minh City SAIGON GIAI PHONG 8 May 91 p 2)

**Tran Xuan Truong [TRAANF XUAAN TRUWOWNGF], Major General, Professor**

His article of the distortion of Ho Chi Minh thoughts was published in the cited source (Ho Chi Minh City SAIGON GIAI PHONG 24 Apr 91 p 2)

**Phan Thanh Vien [PHAN THANH VIEEN] aka Vien Phuong**

Vice president of the Arts and Letters Association in Ho Chi Minh City; his name was on the list of Ho Chi Minh City CPV delegates selected to attend the seventh national party congress. (Ho Chi Minh City SAIGON GIAI PHONG 7 May 91 p 2)